A JOKER IN TORONTO HYDYO REPORT—Page 9

THE FINANCIAL POST OF CANADA

The Canadian Newspaper for Investors

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STILL MUDDLING THROUGH; WE ARE FIGHTING FOR OUR LIVES BECAUSE OF POOR LEADERSHIP

The Statist, Leading British Financial Paper, Confirms What The Post Has Said.

WE HAVE INCOMPETENTS AT HEAD OF AFFAIRS

It Is Urged That Germany Has Mismanaged Her Aggressive Campaign And That We Would Have Beaten The Teutons Before This If We Had Had Better Leadership And Had Not Wasted Our Resources.

ALMOST, since the war began, we have been carrying on in these columns a campaign of political information, and making deductions therefrom we have given as nearly as possible an accurate story of the seriousness of the situation and have urged on our public men such national policies as would put our affairs in the best possible condition.

We have devoted much time and money to procuring the most reliable information to guide financiers, merchants, manufacturers and investors in general in deciding upon what their present and future policies might be. For many months, we were generally severely criticized. Much of our information was so contrary to preconceived, deeply ingrained beliefs, that it was regarded as sensational and absurd. And besides, the stupid British Censor suppressed real facts and buoyed us up with false hopes. Progress of events has proved the accuracy of our information and shown the wisdom of publishing it. During the last few months THE POST has consequently been followed with increasing interest. Recent articles have created unusual attention and some doubt as to the accuracy of our news and views has been expressed.

Last week we quoted from Hon. Mr. McAdoo, Minister of Finance in the Wilson Cabinet in confirmation. The United States realizes, if we do not, the dangers ahead.

The more thoughtful of the British papers are now awakening. Many of them have quoted THE POST; but usually in condemnation. The latest issue to hand of *The Statist*, the leading financial weekly in London, edited by Sir George Paish—the first man called in by Lloyd-George when war broke out—deals with the matter editorially. It has a poor opinion of the German general staff, but thinks our Imperial staff and public men are even more incompetent. It says:—

We are, and have been during the three years, or almost so, which the present War has lasted, been told by all sorts of persons eager to conceal their own incompetence that it is the greatest struggle amongst nations that ever has been known. The reader will judge for himself whether the statement is correct or not if he calls to mind that the populations of the two Central European Empires, which began the conflict and are still carrying it on, professedly with hopes of success, amount together in round figures to about 116¼ millions. Since the beginning two other States have joined—Turkey and Bulgaria. Together their populations amount, according to such returns as are published, to 28¼ millions, so that the Central European Empires and their two allies total up in population to 144½ millions. We may be reminded here that the aggressors have occupied a great part of France, Belgium, Serbia, Montenegro, Poland, and Roumania; that they exact contributions of all kinds, in men as well as in money, from the occupied territories; and that, therefore, they dispose in reality of a much larger force than has just been stated. Let us, then, make all concessions that may be asked for on that ground, and assume that the Germans and their allies have impressed into their service, either for military or for economic purposes, or both together, 10 millions, or if anybody chooses to say more we do not object; so that, in round figures, the enemy have since the beginning of hostilities disposed of altogether something between 150 and 160 millions of people. It is probably a large exaggeration. But we do not grudge those who are so fond of exaggeration any number of millions they can show even a plausible pretext for claiming; and we say, therefore, that the two Central Empires dispose altogether of 150 millions of souls, or even 160, if anybody is bold enough to allege the higher figure. Now, does any real reader of history pretend seriously, and ask competent students to accept, that a war which is waged on the one side by aggressors who can dispose of, by every kind of violence and invasion, 150 or 160 millions of souls is the greatest the world has ever seen? Is it not, on the contrary, plain that the great Napoleon, when he was preparing for the invasion of Russia, was an infinitely more formidable opponent than the Central European Empires are now or ever have been?

Turning now to the Entente Powers, we have, to begin with, the British Empire, with 417 millions of inhabitant. Plainly, therefore, one single member of the Entente Alliance has not far short of three times the number of inhabitants of all the enemies put together, and disposes of resources in general very much larger. Next comes Russia, with a population, according to the latest census, of 180 millions of souls, making with the British Empire alone over 597 millions. Upon the top of these two come the United States with a population exceeding by this time 100 millions. Three, therefore, of the Entente belligerents make up between them aggregate population of, let us say, in round figures 700 millions, or more than four and a half times the whole of the aggressive enemies. To this we have to add France, with her vast colonial Empire, Japan, Italy, Portugal, and Roumania, which, if we leave out the occupied territories, like Belgium, Serbia, and Montenegro, would give one vast aggregate of 894½ millions. **And yet we are told, by persons who ought to be ashamed to make such statements, that the present War is the greatest the world has ever seen. If it were said to be the most audacious, or the most reckless, one could at least understand the spirit of the statement. But to talk of the struggle as being the greatest the world has ever suffered from, when the populations ranged on one side amount to about six times the population ranged on the other side, is presuming a little too much upon human credulity and human submissiveness to those in authority. The real truth, of course, is that the struggle, considering the resources which exist at present, the vast strides that science has made, and the long time that Germany took to prepare, is a very mediocre kind of struggle and ought to have been ended to the disaster of the aggressors in a very few weeks.** But the aggressors had some hazy conception of the difficulties of the task they were undertaking, while those aggressed were so confident in their own superiority, and so ignorant of everything relating to war under modern conditions, that they made no preparations, and never since have been in a position to punish adequately the insolent aggressors who attacked them without provocation.

If it be urged that while the aggressors are very inferior in manpower and in all other kinds of resources they have, to a certain extent, made up for their deficiencies by the carefulness of their preparations and the skill they have shown in conducting operations we demur absolutely, completely, and emphatically to every one of those statements. The aggressors have not prepared at all adequately or at all skilfully, and they have wasted the resources which they brought to bear upon the enemy in the most fantastic

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NEW ENVELOPE PLANT.

Barber-Ellis Co., Establish Factory At Winnipeg.

A new envelope factory has been opened up in Winnipeg by Barber-Ellis of Toronto, which will work up to a capacity of 500,000 envelopes daily. A representative of the firm stated to FINANCIAL POST that this factory was intended to look after the trade of Western Canada. J. F. Ellis, the new president of the firm, who succeeded the late John R. Barber, is now in the West visiting the Winnipeg, Calgary and Vancouver branches. This is the second envelope of this firm, a large one being in operation in Brantford.

COMPANIES' ACT IN COMMITTEE OF THE SENATE

A Large Number of the Amendments Have Been Adopted.

OTTAWA.—The Act to Amend the Companies Act which has been introduced by Sir James Lougheed in the Senate has already been considered by the Banking and Commerce Committee of the Upper House, of which Senator Thompson, of Fredericton, is chairman. The committee had a long session on Tuesday of this week, when it made a fair start on the new bill and adopted a large number of the amendments which have been proposed by the State Department. Another sitting will be held next week, when any parties interested in the new measure will be given a chance to be heard. The Manufacturers' Association has already asked to be given a hearing.

The Senate Committee adopted the clause which provides for incorporation of associations of national, philanthropic and similar purposes. At present such associations must apply to Parliament for a special Act. This has been objected to on account of expense, delay and inexpediency. Under the new section, which has now been approved, such corporations and associations may be created at a small expense by letters patent.

No Par Value Stock.

The clause which authorizes the issue of shares without a nominal or par value stood over. There was some objection, while a number of Senators asked for further information. The object of this clause was explained to the committee as to prevent the implied representation that a share of the company of, say, the nominal value of $100, is, in fact, worth $100. A number of American States, notably New York, now permit the authorization of shares without a nominal or par value. The Senators were not clear as to the wisdom of the new clause, and for that reason it was allowed to stand.

The Senators also decided to adopt the section which reduces the amount of advertising. At present a copy of the letters patent incorporating a company is required to be published twice in the "Canada Gazette" and four times in the local newspaper. By the clause as it now stands there will be but one notice in the "Canada Gazette," and the advertising in the local newspapers is abolished.

BETTER OUTLOOK FOR CAPITAL IN UNITED STATES

New York Advises That a Loan Can be Negotiated.

WOULD AID BUSINESS

Negotiations Are Pending As to How Issue Will Be Made—May Be for War Supplies—Our Imports Increase Rapidly.

The POST has received information from the inside of the big financial ring at New York which places a different complexion upon the financial relations of Canada and the United States than is generally understood in Canadian circles. It is, as indicated in an article on this page, to the effect that the Minister of Finance is negotiating for a loan in New York and that it is only a question of whether the government or private bankers shall handle it. This materially changes the outlook of national financing in relation to business and would seem to give a firm basis for the arrangement between Mr. White and the Canadian banks to return money now being borrowed to finance war orders by the middle of November to facilitate the movement of the crop.

One of the strongest arguments that has been used in favor of Canada as a borrower in the United States is in connection with our munitions manufacturing. We are supplying England with war materials on credit and buying a large amount of the raw materials in the United States for which we are paying cash. Such a course has a direct effect upon our available supply of liquid capital. It has been reported that arrangements could be made for financing this business by borrowings in New York. It may be that this is the arrangement which is being negotiated and is referred to in our New York report. In that event, domestic borrowing may also be anticipated.

The point as to whether the government or private bankers would act for Canada would appear to refer to the situation that the United States herself is borrowing at a much lower rate than Canada and that a Canadian loan, if floated directly, might have an unfvorable effect on the market.

The fear that the needs of the government might affect the supply of current capital and, therefore, handicap industrial and agricultural operations, which on the present basis can only be carried forward with the aid of large funds owing to the high level of values, would, therefore, seem to be disposed of to a large extent. At the same time, even should Mr. White successfully negotiate a loan as indicated, there can be no doubt but that we in Canada must be prepared to finance very largely within ourselves. Capital which the United States lends to Canada, even though it may be required to facilitate business between the two countries, is not going to the Allies and if the war is to continue for a considerable period every dollar may count.

The Income Tax.

Under these circumstances Canada should consider the best means of conserving her liquid resources. Our supply of available money is not large. The rates prevailing in the securities market are an indication of this. If borrowing from the United States is to be curbed our imports from that source should also be curbed. Also taxation should be considered to raise a larger portion of the cost of the war as we go. Sir Thomas White has indicated that this is under consideration and an income tax appears to be assured. As to its application The POST understands from Ottawa that the minimum will be as high as

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STREET RAILWAY STRIKE AND THE SHAREHOLDERS

Some of the Effects of War Conditions on Utility Stocks.

The strike of the Toronto Street Railway employees in Toronto and the settlement on a basis which means a large increase in the operating expenses of the company brings home to investors in Street Railway and other public utilities securities the seriousness of the times we are not experiencing. Operating costs are rapidly advancing, while the attitude of the public, encouraged to the support of public ownership, not only makes is impossible to increase charges, but makes the very standing of the charters of private utility corporations a question of grave doubt.

So far as the Toronto strike was concerned it was undoubtedly a mistake. The company offered mediation and that was the means by which the settlement was reached. Such a settlement might just as well have been reached by the same means without inconveniencing the public. On the other hand, the company might possibly have gone further without making an issue. In the end the men got an increase to which they are probably entitled in view of prevailing conditions and the high cost of living, but labor must not expect that the present high levels for wages are bound to continue after the war is over.

The effect which the war has had upon the standing of Canadian electric railway stocks is to be judged from the position of the market for the securities of the three big systems—Montreal, Toronto and Winnipeg. Following are comparative prices:

	Aug., 1914	Present	Loss
Toronto Ry.	123	75	48
Winnipeg Elec..	186½	45	141½
Montreal Trams..	228	144	84

The Loss In Toronto Stock.

In the case of Toronto the 120,000 shares of stock at 123, the price at the outbreak of the war, represented a valuation of $14,760,000. During the strike the price dropped to 73, or $8,760,000. The difference of $6,000,000 represents a loss to investors who held the stock when the war broke out. It may be argued that the franchise difficulty was a factor in the decline, but this does not explain the slump in Winnipeg or Montreal. It may be argued, too, that the prices before the war were speculative, but those who know the stock market know that there are no more carefully judged prices in the world than stock quotations, and that fluctuations are the result of actual developments relating to value and not the cause of such developments.

The effect which the granting of a straight 6 cents an hour increase to the employees of the Toronto Street Railway will have on the earning power of the company can be judged by the additional cost to be charged up against maintenance and operating. The officials of the company in raising the scale of the men's pay to 32c, 34c and 36c respectively for first, second and third year men, were figuring on an additional cost of about $61,000 per cent. increase. On this basis the increase will cost the company exactly $364,043.70 per annum.

As to whether the increase will mean a cut in dividend has not yet been decided.

U. S. BANKERS READY TO HANDLE CANADIAN LOAN

Statement to This Effect From Member of Prominent U.S. Banking House—No Truth in Story of Differences With Canadian Finance Department.

There has been much discussion recently as to the possibility of launching a Canadian loan on the American market, and in that connection it has been said that such a project has been rendered difficult or impossible by differences which have arisen between the Canadian Department of Finance and certain leading American bankers.

THE FINANCIAL POST has made an investigation both of the possibility of placing a loan on the American market this fall and of the story with reference to differences which have come up. In addition to inquiries made by the representatives of THE POST, the matter was referred to the financial editor of one of the oldest and best established New York newspapers. His report is as follows:

> "I find there is absolutely no difference of opinion between the banking houses you mention and your finance department. I have been assured of this by two members of that house, who tell me that Canadian financing here is being held up, pending a decision by our Government as to whether the Government or private bankers shall handle the loan. **Our bankers are ready to take any offering you may put out and recent operations or rather negotiations along that line were suspended wholly because of the reason noted."**

WESTERN CROPS PROMISE WELL; RAINS IN EAST

Too Much Rain During Week in Ontario Hurts Alfalfa Curing.

LIVESTOCK INCREASE IN WEST

Premier Sifton Looks for Big Crop in Alberta—Potato Acreage in Manitoba Big—Hay Crops Have Improved.

By F. M. CHAPMAN,
Editor, "The Farmers' Magazine."

The past week has been favorable for wheat and all Western crops. Sufficient rain and hot weather are forcing the crop ahead. According to Premier A. L. Sifton, of Alberta, in an interview with THE POST, the outlook in Alberta is very bright, being much better than in 1916, while he looks for good yields in Saskatchewan and Manitoba. In Ontario there is every indication of abundance in all but apples. The hay crop has come up well, the only drawback being the rains of the past week. These have prevented the making of hay, the cultivation of corn, and somewhat checked the bean prospects. It looks now as if we are headed in the direction of a better than average crop year in Canada.

One Bad Corner.

Edward Oliver, Saskatchewan crop statistician, wires THE POST that the crops are from one to two weeks later than last year. In the south-west part of the province they are almost a total failure, and in other parts the crop will be light unless we have exceptionally favorable weather. Straw will be short. Ninety per cent. of summer-fallow is completed. An average hay crop is expected.

Manitoba Has Increased Acreage.

The Manitoba Crop Bulletin to hand shows a total area under all crops in Manitoba at 6,813,690 acres, as against 6,583,390 acres last year. The increased acreages are mainly accounted for in coarse grains, as there is a decrease of 140,000 acres of wheat owing to the late spring. The quantities of coarse grains, roots, corn and late fodder crops will release more what than usual from the feed barns. The present year's potato acreage is given at 66,084, as against 28,000 acres as given by the Census Office for last year. Part of this large difference must be due to some incorrectness in either report, as reports do not show a doubling of acreage.

The following figures about livestock in Manitoba are interesting:

Year	Horses	Cattle	Sheep	Pigs
1913 ...	300,753	456,936	52,142	248,254
1914 ...	325,207	498,040	75,100	325,416
1916 ...	341,496	665,686	89,475	261,774
1917 ...	419,000	669,000	146,700	375,500

The figures for 1917 include the young increase of this year, large numbers of which will be marketed or older stock sold to take their places.

Alberta Expects Big Yields.

Premier Sifton, of Alberta, was interviewed by THE POST to-day on the situation in the West. He was very hopeful of the year's production. "Alberta has a bigger acreage than last year," said he, "and the outlook is for a splendid yield of wheat and coarse grains. Oats and barley are especially promising in the Edmonton district, while the Lethbridge district is going to have another big year. Our rainfall has been about right, and while it is unlikely that we will have the big and unusual yields of 1915, it does look like good crops all through the

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NEWS OF SECURITIES.

THE FINANCIAL POST's review of the Canadian Security Markets will be found on pages 2, 3, 4 and 5, under the following heads: STEEL STOCKS, PULP AND PAPER, TEXTILES, MILLING, MINING, TRANSPORTATION, ELECTRIC RAILWAYS, LIGHT AND POWER. Other stocks, including general industrial and other securities not embraced in the foregoing groups are arranged in alphabetical order.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Gen. Electric	103	103
Detroit	108	107
Toronto Rails	75	75
N. S. Steel	95½	95½
Am. Cyan.	19	19
Mackay	82¼	82¼
Brazilian	40	40
War Loan (1937)	95¼	95
Do. (1925)	98	98
Nipissing	7.60	7.60
Dom. Steel	60	60

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up, $16,000,000. Rest, $16,000,000.
Undivided Profits, $1,557,034.
Total Assets - - - $386,806,887.

BOARD OF DIRECTORS:
Sir Vincent Meredith, Bart., President
C. B. Gordon, Esq., Vice-President
R. B. Angus, Esq. Lord Shaughnessy, K.C.V.O. C. R. Hosmer, Esq.
A. Baumgarten, Esq. H. R. Drummond, Esq. D. Forbes Angus, Esq.
Wm. McMaster, Esq. Major Herbert Molson, M.C. Harold Kennedy,
H. W. Beauclerk, Esq. G. B. Fraser, Esq. [illegible] Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor.
Assistant General Manager—A. D. Braithwaite

Branches and Agencies { Throughout Canada and Newfoundland
Also at London, England
And New York, Chicago and Spokane in the United States.

THE MERCHANTS BANK OF CANADA

Established 1864 *Head Office, MONTREAL*

President—Sir H. Montagu Allan, C.V.O. Vice-President—K. W. Blackwell.
Managing Director—E. F. Hebden. General Manager—D. C. Macarow.

Paid-up Capital	$ 7,000,000
Reserve Fund and Undivided Profits	7,421,292
Total Deposits	92,102,072
Total Assets	121,130,558

233 Branches and Agencies in Canada, extending from the Atlantic to the Pacific.

A GENERAL BANKING BUSINESS TRANSACTED

Special attention given to Collections. SAVINGS BANK DEPARTMENT AT ALL BRANCHES.

Commercial and Travellers' Letters of Credit issued, available and payable, respectively, in all parts of the world. Travellers' Cheques issued in convenient denominations, payable at par throughout the world.

TORONTO BRANCH, A. B. Patterson, Manager.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840.
Paid-up Capital - $4,866,666.66 Reserve Fund - $3,017,333.33

Head Office—5 GRACECHURCH STREET, LONDON.
HEAD OFFICE IN CANADA—St. James Street, MONTREAL.
H. B. MACKENZIE, General Manager.
Advisory Committee in Montreal
SIR HERBERT B. AMES, M.P.
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This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.) and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies
Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE LONDON CITY & MIDLAND BANK LIMITED.

HEAD OFFICE: 5, THREADNEEDLE ST., LONDON, E.C. 2
FOREIGN BRANCH OFFICE: 8, FINCH LANE, LONDON, E.C. 3.

Subscribed Capital	$111,677,782.94
Paid-up Capital	23,266,202.34
Reserve Fund	19,466,400.00
Deposits (31st Dec., 1916)	$849,809,215.41
Cash Reserve	233,468,740.28

Sir EDWARD H. HOLDEN, Bart., *Chairman.*

The Standard Bank of Canada

Quarterly Dividend Notice No. 107

Notice is hereby given that a dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending July 31st, 1917, and that the same will be payable at the Head Office in this City and its Branches, on and after Wednesday, the 1st day of August, 1917, to shareholders of record of the 21st of July, 1917.

By order of the Board,
C. H. EASSON, General Manager.
Toronto, June 25th, 1917.

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

Paid Up Capital - - - $4,000,000
Reserve Fund - - - - 4,800,000

HEAD OFFICE, MONTREAL
BOARD OF DIRECTORS
Wm. Molson MacPherson, President.
S. H. Ewing, Vice-President.
Geo. E. Drummond F. W. Molson
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E. J. Chamberlin
Edward C. Pratt, General Manager

NEWS OF SECURITIES — Market Still Narrow

STEEL

Markets for the Most Part Dull and Featureless. Plant Capacity Production Assured Far Ahead.

By P. BAIN, M.E.,
Editor Canadian Machinery.

A lack of interest on the part of the public is still evident in the stock market, and to all appearance this condition is likely to obtain while the hot weather or holiday season continues. It need only be mentioned, however, that the stage for considerable activity is well set so far as our steel plant effort and output are concerned, and if only money for stock trading purposes were more readily available in reasonable quantity, there is little doubt but that the stagnation and dullness now so apparent would be quickly dispelled and an appreciation in values result. The very material discount at which our War Loan Bonds have been quoted recently, has had a very depressing effect on market trading generally, and the opinion has been freely expressed that until steps are taken to bring the securities mentioned back to at least their issue price, no improvement need otherwise be looked for.

Our steel mills and kindred enterprises are far from showing a lessening in their productive activity; besides, and after making all allowance for cuts in contract prices, additional war taxation, etc., they are steadily accumulating substantial profits for distribution to their stockholders, for plant betterment, and towards accumulation of a substantial reserve surplus. Of more than usual interest is the decision of the Steel Company of Canada to secure a more stable grip on their ore supply, and to set about the installation of coke oven equipment; for notwithstanding the highly satisfactory results which have been achieved in the past without these self-contained features, it stands to reason that much enhanced returns will accrue when the developments indicated, become operative.

In spite of everything, prices of steel products of every kind contine to advance, and this too in a comparatively quiet market; quiet almost to the point of stagnation. This condition is likely to prevail until the prices to be paid by the U.S. Government on its war requirements have been finally adjusted. Conferences to that end are now in progress. It is not improbable that when the complete price schedule is issued, a greater or lesser reflection of it will be evident in steel stocks.

	Close, July 5	Close, July 12	Change
Can. Car	32½	32¼	— ¼
Do., pref.	72	71½	— ½
Can. Loco., com	57	62	+ 5
Do., pref.	85½	87	+ 1½
Gen. Electric	102½	103	+ ½
Dom. Iron, pref	90½	92	+ 1½
Dom. Bridge	130	127	— 3
Dom. Steel	60	60⅛	+ ⅛
N. S. Steel	97½	96	— 1½
Nat. Steel Car, com	12½	10½	— 2
Do., pref.	28	28	..
Ont. Steel Pro., com	24	24	..
Russell, com.	70	70	..
Steel of Can., com	58	56½	— 1½
Do., pref.	92	89¼	— 2¾

LAKE SUPERIOR CORPORATION.

In connection with the report of the bondholders of the Algoma Central and Hudson Bay Railway and the Algoma Central Terminals, the *Financial Times*, of London, says that there is a very "dark horse" in the Lake Superior Corporation, which is the parent of the Algoma Central ventures and is liable still in respect of the guarantees it gave for the principal and interest of the bond issues. There were excellent reasons why the guarantees should not be pressed when default occurred but the position of the Lake Superior Corporation has much improved of late as some of its subsidiaries—Algoma Steel to wit—are now making substantial profits.

STEEL COMPANY OF CANADA.

The number of Steel Company of Canada shares to change hands during the week, and the range of prices recorded, were in every sense restricted. Quotations of a week ago have been slightly shaded, although, due to continued capacity production of the various plants and the certainty of its being entirely satisfactory from a net profit point of view, there is no reason why a lower tendency should have developed. The fact that odd lots of both stocks have been changing hands accounts not only for the narrowness of the price fluctuations, but the tendency for the price to ease off as readily as to be augmented. The closing prices of the common, 57 asked, 56½ bid, compare with 57¾ and 57¼ respectively a week ago; while those of the preferred are 91 asked, 90 bid, comparing with 92¼ and 91½ respectively last week. A block of the company's bonds aggregating $2,000, changed hands at 97.

The directors of the Steel Company of Canada, at a meeting in Toronto on July 12, practically adopted a new policy which is likely to have an important bearing on the future of the company. In co-operation with American interests, the directors propose to acquire certain ore and coal properties situated in an advantageous location in the Eastern States, from which such of its supply as is necessary in the future will be drawn. Hitherto the company has not controlled its supply of raw material, although it has enjoyed the reputation in the steel trade of having the benefit of some exceptional contracts. It is stated that the plans of the company included the construction of a considerable plant for the production of coke.

The Steel Company of Canada is our only large steel corporation without its own ore and coal reserves.

CANADIAN LOCOMOTIVE CO.

Both common and preferred stocks of the Canadian Locomotive Co. have figured quite prominently in the dealings of the past week, advances being registered in each case. The transactions were for the most part confined to odd lots of 35 shares and under. The activity has been no doubt due to the statement given out officially that the Toronto, Hamilton & Buffalo Railway have placed an order for six switching engines at a total cost of about $120,000, and that not only is the plant meantime operating to capacity, but a like state of affairs is assured up to the end of the first quarter next year. A further influence favoring both stocks is the fact that the U.S. Railroad Commission to Russia has requested that immediate construction of locomotives and cars be undertaken to meet the need there, and on account of the pressure already felt by American locomotive builders in filling contracts for equipment—both foreign and domestic, it is reasonable to believe that a fair slice of the business will go to Kingston. The expenditure recommended by the Commission on behalf of Russian railroads is in the neighborhood of $350,000,000, the latter including cars as well as locomotives. Transactions in the preferred took place during the week at prices ranging from 88 to 89½, the closing quotations being 89 bid, 90 asked. Dealing in the common ranged from 57½ to 62, the closing being 60 bid and 62½ asked. The closing of the common a week ago was 57¼ bid, 58¾ asked, with the quotation on the preferred more or less nominal.

Shareholders of the Canadian Locomotive Co. have received a circular from Sir Henry Pellatt and M. J. Haney, asking for proxies for use at the annual meeting in September. Mr. Haney, who is the President of the Home Bank, was one of the leading interests in the old Kingston Locomotive Co., and Sir Henry Pellatt is understood to represent considerable holdings of Canadian Locomotive stock. The company closed its fiscal year on June 30 last.

On the theory that the request for proxies had behind it a campaign for the establishment of dividends on the common stock, Aemilius Jarvis, the President of the Canadian Locomotive Co., was asked as to the dividend situation. He said that the profits of 1916 were required largely to pay for machinery, which in turn helped to increase the earnings in the 1917 period. As to the 1917 year just closed, Mr. Jarvis said: "The directors themselves have not yet had the 1917 figures, so it is quite premature to talk about dividend. I hope, however, that it will not be long before this feature will be considered, but I hardly think that either Sir Henry Pellatt or Mr. Haney, both financiers, would expect a Board of Directors to announce a dividend policy before their books are closed, or to commence paying dividends on common stock before they can see their way to their permanency. Remember, we are going through extraordinary conditions, and, whilst I feel the locomotive business has post-war value much greater than most industrials (as a canvass made recently by the Baldwin Locomotive Works reveals the fact that it would take five years to bring the present locomotive equipment of the railways of the world up to normal), I like, however, to see my way clear before committing a company to a policy of cash distribution."

ONTARIO STEEL PRODUCTS.

The common stock of the Ontario Steel Products Co. figured on the Toronto Exchange this week, 85 shares changing hands at 24 and 24½, constituting the first transactions in two weeks or more. The financial year of the company ended with June 30, and notwithstanding the measure of prosperity enjoyed throughout its course, anticipations are that the like incoming period will at least equal it. Evidence of this is already to be found in the fact that a number of large automobile concerns have intimated requirements will be in excess of the past year. The statement for the period ended June 30 will show, it is believed, something like 12 per cent. on the common, after provision has been made for depreciation, war tax, the full 7 per cent. dividend on the preferred, and 6 per cent. on the bonds.

NATIONAL STEEL CAR.

A little more activity falls to be recorded in both the common and preferred stocks of the National Steel Car Co., arising doubtless from the news of a week ago that a contract had been secured to supply 1000 steel freight cars for the Canadian Government Railways. While it is as yet too early to become optimistic regarding the immediate future outlook, the prospects so far as can be gathered look considerably brighter, and with the certainty that rolling stock in the nature of freight cars of all types will of necessity have to be ordered by our railroads sooner or later, the meantime satisfactory progress of the business cannot fail to be accelerated and enhanced in value. Odd lots of both common and preferred have changed hands during the week, the former dropping back to 10½, however, closing at that figure asked, with no bid, as against 14 asked and 11½ bid a week ago. The preferred on the other hand has shown fair strength, selling up to 29¾ as against the previous bid price of 25, and closing the week with 30 asked, 27½ bid.

CANADA PIPE & STEEL CO.

Notice is published in the Ontario Gazette that supplementary letters patent have been issued, increasing the capital stock of the Canada Pipe & Steel Co., from $300,000 to $600,000, and altering the provisions of the original letters patent covering the preference shares as therein set forth.

BRITISH AMERICAN NICKEL CORPORATION.

In connection with the plans of the new British-American Nickel Corporation, it is stated that up to a week ago the company was planning to start with a plant costing $6,000,000 or $7,000,000, but the discovery at the main mine of five million tons of nickel ore in excess of the engineers' estimate is likely to result in a revision of the corporation's programme and the erection of a much larger plant than has been contemplated heretofore. When the plant is completed, the works and properties of the company will represent an investment of between $12,000,000 and $16,000,000. Within two years' time the officers of the corporation expect to be producing 6,000 tons of refined nickel per annum.

ELECTRIC STEEL & ENGINEERING COMPANY.

This concern, recently incorporated at Ottawa with a capital of $2,000,000, is a merger of three previously established enterprises, all of them being in operation. The head office of the corporation is at Welland, Ont., The three included companies are: Electric Steel & Metals, of Welland, Ont.; the Boving Hydraulic Engineering Co., of Lindsay, Ont., and the Wabi Iron Works, of New Liskeard, Ont. No announcement as to plans will be made until after a meeting of the directors which is to be held shortly.

NOVA SCOTIA STEEL AND COAL

A meeting of the directors of Nova Scotia Steel and Coal is expected to be held at New Glasgow within a day or two, at which the new president Frank H. Crockard will formally take office. There is still a disposition to believe that the U. S. Steel Corporation is behind the interests represented by Hayden, Stone & Co., in the purchase of "Scotia" stock by that firm. However, that may be, the Company has an extensive building program on its hands, and the first duty which will devolve upon the new President is likely to be the preparation of a plan by which the new capital being introduced through the firm of Hayden, Stone & Co. will be utilized to the best advantage. It is understood that one of the items of the program will be the rapid development of the company's coal properties in order to materially increase the production.

Scotia perhaps more so than any other domestic steel stock demonstrates the lethargy which characterises the market trading meantime. After selling ex-dividend $2.50 a share, also ex-rights, the stock declined to a point well below par without any marked amount of offerings, but more because of lack of buying interest. At anything less than 150, Nova Scotia Steel fails it is believed, to reflect its cash dividend outlook, as it is probable that at least $10 a share will be paid, and it is highly probable that the total will be above that amount for 1918 if there is no change in the steel-market situation. When it sold below par, the stock thereby destroyed any market value which the rights might have had, as it became cheaper for people interested in getting the stock to buy it in the open market than to exercise their right to subscribe. The stock closed at 97 asked, 95½ bid (ex rights), comparing with 98 and 96 respectively a week ago.

DOMINION STEEL CORPORATION.

Mark Workman, president of the Dominion Steel Corporation, William McMaster, vice-president, and W. G. Ross, a member of the executive committee, returned to Montreal on July 6, after a two week's inspection trip, in which they visited the Corporation properties at Sydney, C.B., Newfoundland, and St. John, New Brunswick. Mr. Workman states that they had found the plant at Sydney looking exceptionally well, with all departments working to capacity. He would not discuss the question of earnings, but it is understood from other sources that a new high water mark was reached in May.

Extensive extensions and improvements, which will tend towards the efficiency of the plant are now in progress and good headway is being made along these lines. Mr. Workman would not state how much had already been expended at Sydney, but it is understood to be in the vicinity of $2,000,000, and the work is not by any means completed yet. The first battery of sixty coke ovens being installed will be ready during the winter, and the next battery of the same size about a year from now. Work on the new blast furnace has made rapid progress, and it will be ready for use in two or three months. This furnace will mean an increase in output from thirty-five to forty thousand tons per year, at a minimum. Last year the total output from the Sydney plant was something like 360,000 tons, so that the new furnace will mean a big increase.

The output for the month of June shows little change from previous months of late, and as the plant is working to capacity, and has been for some time, increases cannot be looked for until the additions now under way are completed. The details are as follows:

	Tons.
Pig Iron	29,375
Ingots	30,647
Blooms	15,980
Shell Blooms	11,485
Shell Bars	4,868
Rods	10,400
Nails	3,534

As this is the first time output figures have been given out for a number of years it is not possible to make any comparisons, but they are believed to be well up to the high record, although they show but a small advance from the same month last year. Pig iron output was slightly better than a year ago, while ingots fell off slightly.

Mr. Workman explained that the labor situation was the source of a good deal of uneasiness; at the same time labor conditions at Sydney were fair at the present time, but were not quite so good in Newfoundland.

Output Comparisons.

Statements of the monthly output of the Dominion Steel Company, now resumed, after a considerable lapse, with figures for June of the current year, are said to show but little variation from recent output, which has been at capacity for months back. In the absence of any recent comparative data, some of more distant date are interesting enough. In June, 1914, business around the steel mills was beginning to look up a little, for there were hopes of large orders from the railroads. The effect of the war declaration a month later was instantaneous. By September business had flattened down to almost nothing. Dominion Steel's production of pig iron that month was only 5,208 tons, against 21,382 tons in June of that year and 29,375 in June of the current year. The output of steel ingots was down to 4,936 tons, against 26,903 tons in June, 1914, and 30,647 in June, 1917.

Comparisons as available for the three months named, and tabulated below are to be read in the light of prices two to four times above the pre-war level:

	June, 1917.	June, 1914.	Sept., 1914.
Pig iron	29,375	21,382	5,208
Ingots	30,647	26,903	4,936
Blooms	15,980	......	.....
Shell blooms	11,485	......	.....
Bars	4,868	2,347	Nil
Rods	10,400	1,987	4,501
Nails	3,534	......	.....
Rails	......	17,603	Nil
Other	......	2,030	4,300

A fair amount of activity has taken place in the common during the week, the price range being limited, however, notwithstanding the very satisfactory report of the president above quoted. The common closed at 60½ asked and 60 bid as compared with 59⅝ and 59⅛ respectively a week ago. The regular quarterly dividend of 1¾ per cent. on the preferred will be paid on August 1 to shareholders of record, July 15.

DOMINION FOUNDRIES & STEEL CO.

For some time past interest has centred in the operations of the Dominion Foundries & Steel, this being especially the case since the recent consolidation of Hamilton companies was effected. Interests close to the company figure that in the current year the profits of the company should run slightly over $2,000,000, while the gross output per month is now reaching close to the million dollar mark.

CANADA FOUNDRIES & FORGINGS.

The various plants embraced in Canada Foundries & Forgings give no indication of lessened activity or of diminution of prospects of capacity operation for many months to come. The stocks continue more or less dormant in concert with those of kindred enterprises.

CANADIAN CAR & FOUNDRY CO.

Application has been made to the Montreal Stock Exchange for the listing of an additional $750,000 common shares of Canadian Car & Foundry Co. It is understood that these shares were issued in lieu of cash payment of commissions in connection with the Russian shell contract of the company. Reports bearing on the new issue which were current on the Street during the day gave rise to some perplexity. Obviously, with the common stock selling around 32, the issue could not have been a matter of new financing in the ordinary course of affairs.

When $250,000 new common stock was sold in the early days of the Russian contract, the old stock was selling above par and the company realized something close to par for the new shares. The mystery was cleared up later when it was verified that the new stock was being issued in part settlement of certain claims for commissions which have been in dispute for some time. From official sources it is asserted that the directors of the company consider the arrangement a very satisfactory one.

Except for minor details, it is understood that the question of commissions claimed by certain intermediaries in the securing of the Russian contract is now virtually disposed of. Considering the magnitude of the order, which ran into $83,000,000, it is claimed in Car circles that the commissions were modest, and, further, they were scaled down in proportion to the scaling down of profits actually realized as against profits estimated when the business was secured.

With $35,000,000 worth of orders on the books, the company will require a good deal of banking assistance in the next year. In those circumstances many doubt whether any of the Russian profits can be diverted to paying dividend arrears on the preferred stock. The 10½ per cent. payment that was being looked for this month has become more than doubtful, to say the least. Against that it is now held that if payment on arrears must be further deferred while profits from the Russian business are being employed in financing current business the resumption of regular dividends can be looked for before the end of the current year.

A New Haven dispatch states that two carloads of shells shipped by the Canadian Car & Foundry Co. to the United Smelting & Aluminum Co. there were attached by the latter firm to the extent of $50,000,000 on arrival. The local smelting concern alleges breach of contract and claims heavy damages. Dealings in the common and preferred have been of a scattered nature, the former ranging around 32 and the latter around 71.

DOMINION BRIDGE.

No further news of importance is available regarding the proposed shipbuilding plant to be established in Halifax or Sydney, N.S., in which Dominion Bridge and Beardmore (Clyde) interests are concerned. It goes without saying, however, that if the project materializes, the same or even greater success that has characterized the "Bridge" and its various subsidiaries now in operation will be achieved in the new venture. The stock has been extremely quiet during the week, quotations being around 127.

TEXTILES

Textiles Recovered Slightly Their Recent Weakness—Cotton Being Stationary a Good Factor.

By H. H. BLACK,
Editor Dry Goods Review.

There was a tendency this week for the cotton textile stocks to recover the slight weakness that has developed during the past couple of weeks. Trading was light. There are fortunately for all concerned no signs of an immediate rise in raw cotton to the 30-cent and even 40-cent level that was predicted, so that if it continues at fairly stationary levels for a few weeks longer the mills probably will decide that definite prices can be announced again, and trading will go on under more even conditions.

The earlier part of the week saw a further advance in the raw markets, until spot was quoted at 27.30 cents, compared with 12.90 on the corresponding date last year, The main reason assigned for the advance throws a significant light upon what war conditions are likely to force prices up. There was a feeling that the political crisis in Germany might result in peace terms being brought appreciably nearer. On several occasions similar rumors have forced the market up, and a similar actual result may be considered now as certain to produce this effect. With the lessening of the rumor on Wednesday and Thursday prices sagged again about ¾c a lb.

In knitted goods, spring lines (1918) begin slowly to appear on the market, weeks later than for some years past. A cable received on Friday stated that the British Government had arranged again to take over the entire wool clip of Australia and New Zealand at the same price as last year. This "same price" feature will tend to hold wool from a further heavy advance, although yarn prices will go up still higher, dependent as they are in addition on labor scarcity and a tremendous unsatiable world demand.

Orders for cotton textiles continue to show a falling off compared with the abnormal quantities sold last year, but the extreme scarcity of woolen textiles produces a market for all the mills can turn out.

	Close, July 5	Close, July 12	Change
Can. Convert., com....	40	43	+ 3
Can. Cottons, pref.....	79	79	..
Dom. Textile, com.....	84	83¾	— ¼
Do., pref.	99½	100	+ ½
Montreal Cot., com....	49	51	+ 2
Monarch Knit., com....	40	35	— 5
Penmans, com.	71	72	+ 1

CANADIAN CONVERTERS.

The recent strength in Converters suggested to financial circles the possibility of an increased dividend at the next declaration, but hopes in that direction were destroyed for the time being by the declaration of the regular quarterly dividend of 1 per cent. So far as the future is concerned no increase is expected during the present fiscal year at least. This conclusion was pretty plainly indicated in the remarks that were made at the annual meeting of the company. The policy of the directors is to place the industry on a sound basis and establish continuity of earnings before distributing larger amounts to shareholders. The outlook is most encouraging.

After a lull of three weeks the stock showed a decided liveliness this week and over 300 shares were dealt in. The price rose steadily from 41¾ to 42, 42¼ and up to 43. This is the highest figure of the year, as for the first six months, it stood around 40 and 41, with an occasional drop to 39.

CANADIAN COTTONS.

While the common remained untouched, there was light selling of preferred, first at 79½, an advance of ½ point over last week, and on Wednesday at 79. This is a good average for the year.

DOMINION TEXTILE

This stock which showed signs of weakening with the uncertainty of the cotton market is now doing a little better than holding its own. The common started with a few scattered sales at 83, but came up to 84 by Wednesday, and held this on Thursday. The preferred did better, starting at 101, an advance of 1½ points over last week, but easing off again to 100, and on Thursday to 99.

MONARCH KNITTING.

The approaching of the dog days evidently had its effect on the common, for after holding at 40 since the first of the year, with few sales it dropped for 4 shares on Tuesday to 35. There was no movement in the preferred.

MONTREAL COTTONS.

Common came to life again this week with an advance of 2 points to 51, after a quiet month. In the preferred there was no movement, the last being at 100 three weeks ago.

PENMANS.

A beginning has been made in bringing out the new lines for Spring, at prices that run from 30 to 50 per cent. in advance of that quoted a year ago. Ordinarily this would injure trading but fortunately the Penman lines of underwear, sweater coats and hosiery, are scarce commodities and a market seems assured for all they can turn out. Hosiery prices will be delayed in most lines for some six weeks more. The Penman company is in an unusually advantageous position on two accounts; with their number of branch mills they are in a position to get the most of any available labor and the variety of their lines enables one to supplement the other in a poor year. However, that did not apply to 1916 and will not to the balance of 1917.

The justifiable confidence in the stock carried it up to 71½ early in the week and to 72 on Thursday. While this is not the top mark for this year, it is 2 points over the ruling price.

PULP AND PAPER

Investigation Has No Appreciable Effect on Securities—Provincial Paper Listed.

The newsprint investigation at Ottawa is having little appreciable influence on the securities which are in the main quiet and show little change. Some interest will no doubt be taken in the listing of the Provincial Paper Mill Co.'s securities on the Montreal and Toronto Exchanges, which probably will be arranged for next week.

Little can be surmised as to the result of the inquiry by Commissioner Pringle, as to what the "fixed" price for newsprint is likely to be, and until this is known, surmise as to how security values will be affected is worthless. At the first the publishers seemed to feel that the inquiry was brought on in order to justify an advance over the 2½-cent price fixed by the Finance Minister, but this past week the Commissioner does not seem to have been impressed with the figures presented by the mills, after the disclosure of the discrepancy between the "actual" cost figures and those computed by agreement on an "arbitrary" basis. The inquiry adjourned on Wednesday to receive reports from the auditor, Geoffrey Clarkson, who is going over the books of the mills. Then will come a decision as to whether allowance should be made for a greater value of the pulp wood cut on the limits than the mere cost of manufacturing it into pulp wood.

If "arbitrary" estimates are pared down considerably, the profits will be cut down to a great extent, of course. Evidence this week showed that the wood pulp, made by the newsprint mills, apart altogether from what they used in the making of news, netted them big profits. In one case the St. Maurice Company sold at $42.05 a ton in the United States ground wood that cost only $17.51. Sulphite that cost $44.01, had been sold as high as $90 a ton—in the States. The Abitibi Company had sold for $101.26 sulphite that cost only $33.65 a ton. P. B. Wilson, of the Spanish River Company, did not expect prices to drop until after the war.

A new element was introduced when it was brought out that a portion of the discrepancy into the cost of making the paper as between the Federal Trade Commission's report, and the figures submitted to Commissioner Pringle, was due to an allowance of $6 a cord for stumpage dues in the latter figures. Consideration of this cost had made a difference of $2.60 in a ton of ground wood.

Why had this not been counted in by the Federal Commission?" inquired Mr. R. A. Pringle, the commissioner. Because it was not then on the books of the companies, but had been agreed on as a fair figure later, was the reply.

The general paper market continues fairly firm, but jobbers report that sales are quieter, due, they say, partly to the season, and partly to firms being stocked up since the heavy buying of last year.

	Close, July 5	Close, July 12	Change
Laurentide	170	170	..
Riordon	124	121¼	— 2¾
Spanish, com.........	14	14	..
Do., pref.	49⅞	49⅞	..
Wayagamack	68	68	..
Brompton	48	47	..
N. A. Pulp	5⅛	5	— ⅛

LAKE SUPERIOR CORPORATION.

In connection with the report of the bondholders of the Algoma Central and Hudson Bay Railway and the Algoma Central Terminals, J. A. Goudge, of the Buenos Aires and Pacific, who recently investigated the properties, has recommended the development of the pulpwood industry as likely to add to the earning capacity of the Lake Superior Corporation, which is the parent of the ventures referred to.

MATTAGAMI PULP.

The construction of the huge new sulphite pulp mill is proceeding as rapidly as weather conditions will allow in the Northern Ontario site. "We have 450 men at work but with this deluge of rain they are almost up to their knees in mud," said Mr. Armstrong, the general manager to FINANCIAL POST this week. While some difficulty has been experienced in getting sufficient help it is expected that the mill will be operating by the end of September though not at all to the contemplated capacity of 150 tons a day. The company is well supplied with spruce limits and eventually may turn out newsprint as well as pulp.

LAURENTIDE.

The stock opened at a slight advance this week, 171, compared with the close of 170. Later sales were at the lower figure. This is 2 points below that of three weeks ago, and 25 under the high mark at the beginning of the year.

SPANISH RIVER.

A few shares of common sold this week at 14, the same as last week and from 1 to 1½ points below the average for the past month or so for the eight weeks there was no movement of preferred.

RIORDON.

There was much less activity this week than last with prices about the same, 124. Later there was a drop of 1 point to 123. The paper investigation with the constantly recurring evidence of big profits in the pulp end of the business will for a time tend to keep up this stock, especially in memory of the nature of the annual report along this line. In the preferred there were no sales, as has been the case for the last six weeks, The last quotation then was at 93.

WAYAGAMACK.

For four weeks the stock has been absolutely quiet. The last sale was at 68.

BROMPTON.

There were a few sales this week at 47, one point under the close of last week.

TORONTO PAPER.

A new transformer has been erected at the Cornwall mill which will enable the plant to receive more power from the Cedar Rapids Co. There have been no sales of stock for a month, and the latest offer is under 80. The last sale was at 88½.

LINCOLN MILLS.

The construction work in connection with the new sulphite mill at Merritton has been completed and the equipment is being installed. The capacity will be about 50 tons a day and operations will begun this Fall.

PERIBONKA COMPANY.

The Peribonka Company, Limited, has been incorporated with an authorized capitalization of one million dollars. This is the company which recently acquired a pulp mill and limits at Peribonka, in the Lake St. George district, of the Province of Quebec, from the Banque Nationale. Two different syndicates were negotiating for the property, and each had an option, with the result that the matter is now before the courts. The incorporators of the new company are: Richard Stanley Finn, engineer; Henry Timmis, financial agent; Isabelle Jaslow, secretary; Harry Louis Horsey, decorator; and Neil Francis MacNeil, journalist, all of Montreal.

PROVINCIAL PAPER.

The stock of this combination of mills is likely to make its appearance on the Montreal Exchange for the first time next week. The secretary-treasurer, S. F. Duncan, informed FINANCIAL POST on Thursday afternoon that he had just received a wire from Montreal that the committee that had been going over the figures submitted to them had passed the application and the stock probably would be dealt in at the beginning of the week. Mr. Duncan added that a similar course would be taken on the Toronto Exchange.

The Provincial Paper Mills Co. of Toronto is a combination of mills, dealing chiefly in coated and bond papers. It was organized four years ago and took in the St. Lawrence Paper Mills, Limited at Mille Roches, the Montrose Paper Co. of Thorold, and the Barber Paper and Coated Mills and the Canadian Coating Mills of Georgetown. From the first the dividend of 7 per cent., 1¾ quarterly, has been paid on the preferred stock, which amounts to $1,700,000, but it was not until the beginning of this year that the common stock received any reward. At that time a dividend of 1 per cent. was announced on the $2,481,300. This was the result of the gradual strengthening of the position of the young firm aided by the exceptionally favorable circumstances that attended every paper mill during the past year. Mr. Duncan told FINANCIAL POST that he has every expectation that the initial dividend of one per cent. will be maintained quarterly for the future. The profits were so high last year that a bonus of 5 per cent. was paid as a Christmas gift to the employees.

The first sale of the stock took place on December 9, the common selling at 55. Later, this year, sales were made at 50. For the preferred 78 has been bid.

The President, Mr. I. M. Weldon and Mr. Duncan, are directors also of the newly organized Port Arthur Pulp and Paper Co. The construction on this is proceeding rapidly and it is expected that sulphite pulp will be turned out by the first of the year. Although the mill has not been able to secure any regular limits yet they have been able to buy a sufficient quantity of pulp wood to ensure the running of the new mill.

The erection of this mill will make the Provincial Paper Mills independent of outside sources for pulp.

MILLING

Market For Securities Aroused By Reports of Possible Action By Food Controllers.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

Milling concerns are not a little exercised over the possibility of some form of government control of wheat at the instance of the food controller. There is a strong impression that some such action will take place. There is also a suggestion afloat that the American and Canadian food controllers are behind a project to establish a number of mills under their direct control as a means of fighting any effort at profiteering. Which of these rumors is true is yet in doubt. Rumor has even gone so far as to put $1.75 as the price settled upon by the American controller as the fixed price. It is very questionable if the Canadian grower would look upon such a price with favor.

The market for cash wheat was fairly strong, showing a slight increase during the week. There was little buying of futures, there being an evident inclination to wait to see what action the food controllers would take. On the American market wheat was kept at stable figures by the optimistic government report of a 75 million bushel increase over the crop of last year, but here also trading was light, pending developments. The week showed a little better buying tendency in flour, the bulk of this demand is coming from American buyers and is not meeting with a very keen response as surplus stocks are not very much in evidence, the mills being mainly engaged in filling British government orders. Cereal stocks are in unusually good demand, part of this demand being for export shipment. Millfeeds too are showing a firmer tone, and generally speaking all milling commodities are firmer, and are only held steady, by the uncertainty of the moment.

There is a report from Kingston that an option has been taken on the buildings and elevator of the Cereals Limited of Kingston by K. R. McDonald of Kansas City, the idea being, acording to report, to turn them into flour mills to enter into the competition for the flour trade with the Allies.

LAKE OF THE WOODS.

A slightly weaker feeling was noticeable in the trading in the stock of the Lake of the Woods Milling company. Quotations of the previous week were at 127. A few sales on Saturday of last week, however, depressed that price a point and slightly heavier selling on Wednesday of this week sent it down another point. There seems to be nothing to account for this decline, other than the public's apathy toward stocks of this nature. In the preferred there was no activity noted. January saw the last transaction to date, at 116.

MAPLE LEAF.

There was more activity in the stock of the Maple Leaf Milling company than has been noted for some time past and the stock generally showed a somewhat better feeling. From a low of 102½ of the last previous sale it opened on Thursday last at 105 but dropped before the end of trading to 103. Friday's trading showed an advance to 105 and on Monday a further advance was made to 106. The week's trading represented a turnover of about 300 shares for an average advance of about 2½ points. In the preferred the tendency was rather the other way, selling was very light, the only transaction taking place on Wednesday when prices ranged from 92½ to 93.

OGILVIE FLOUR.

Very unusual activity marked Ogilvie Milling, being one of the very few industrial stocks showing any degree of strength. Under the selling of practically a thousand shares in the five days, the stock showed remarkable stability. Friday last saw a decline of half a point from the opening price which brought the stock in line with previous sales, but the succeeding day's sales recovered this loss and on Wednesday there was a further advance of half a point, which was lost, however, before the close of the day's trading. There was no activity in the preferred the last sale being 112¼.

SHREDDED WHEAT.

The stock of the Shredded Wheat company showed no activity during the week. The last sale on the common was 131 and in the preferred 95.

TRANSPORTATION

Railways Await Decision Regarding Application for Increased Rates.

Interest in the transportation situation still centres in Ottawa, and from the capital action may be expected both as regards the national railway problem and the application of the railways for increased rates, more favorable regulations as to demurrage charges, etc. In the United States the roads have been given a measure of relief, but the extent thereof is not yet definitely clear. There appears to be a wide difference of opinion as to the benefits accruing to the roads, and whether they are sufficient to offset the higher costs they have to face. So far as railway men are concerned the opinion is emphatically that the increase does not cover more than a fraction of the increase in operating expenses.

While the American railroads received authority from the Interstate Commerce Commission to advance their rates only to the extent of three or four per cent. as compared with a 16 per cent. increased tariff, some consolation is being taken in the fact that though this is far from what was aimed at it is also better than nothing. The advantage gained is after all substantial and the railways are hoping to make a second attempt within a few months. The decision falls far short of the needs of the railroads. There can be no doubt but that the commission is still working on the theory that it was put in power with a mandate to prevent a rise in freight rates rather than with a mandate to maintain an even basis between the railroads and the public. Conditions warrant a much larger advance than has been made. The Interstate Commerce Commission and the Dominion Railway Commission should realize that their mission is not to hold the railroads down, but to make sure that the railway systems are not holding the public down. The idea should not be to keep the railroads from enjoying some undue advantage but rather in assuring the systems of an adequate return for an adequate service to the public.

In order to facilitate train movements and release passenger train crews for other work, the railways of the United States are making drastic reductions compared to which those in Canada early this year appear mild. The Pennsylvania, for instance, on its lines east of Pittsburg, has eliminated no less than 102 trains, or more than double the number taken off the whole of the Canadian railways. The Boston and Maine has taken off no less than 255 trains, or more than five times the number taken off in Canada, saving approximately 41,000 train miles per week. Strenuous efforts are also being made to increase the car load and to impress on merchants the importance of rapid unloading. The American roads evidently realize that speed in freight movement is one of the main factors.

Figures of the operating results of American railroads for April emphatically indicate the effect of the

Continued from page 4

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

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Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

THE DOMINION BANK

HEAD OFFICE, TORONTO

SIR EDMUND B. OSLER, M.P., President
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The London, England, Branch of The Dominion Bank
At 73 Cornhill, E.C.,

Conducts a General Banking and Foreign Exchange business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 115,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President
Charles Archibald, Vice-President
G. S. Campbell
S. J. Moore
W. W. White, M.D.
Hector McInnes
J. Walter Allison
W. D. Ross.
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Hon. M. C. Grant

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H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital ....$ 5,000,000
Reserve 3,400,000
Total Assets .... over $109,000,000

John Galt ....President
H. B. Shaw .... General Manager
J. W. Hamilton...Assistant General Manager

This Bank, having over 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch.

New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent.

CORRESPONDENCE SOLICITED.

NEWS OF SECURITIES

Continued from page 3

rising costs of fuel, labor and general supplies in relation to net income. While the total operating revenue at $319,529,688 exceeded that for April, 1916, by $37,569,641, operating expenses of $227,735, 331 were greater by $37,033,648. The net operating revenue of $91,794,357, therefore, showed an increase of only $535,993. Taking into consideration an increase in taxes of $2,296,595, the net operating income was reduced to $76,803,598, showing an actual decrease of $1,747,-407, despite the large increase referred to in gross operating revenues. In percentages the increase in operating revenues over the mileage represented was 13.1 per cent.; operating expenses were greater by 19.2 per cent., and net operating revenue showed an increase of 11.4 per cent., while net operating income decreased 2.4 per cent.

ALGOMA CENTRAL

In dealing with the bondholders' report in connection with the Algoma Central and Hudson Bay Rly. and the Algoma Central Terminals, the Financial Times, of London, states that these enterprises now seem to be in a fair way of getting on their feet again. The reorganization agreed to in the early part of 1916 has now been made effective although it is evident that much time is required to put it to a reliable test. The delay in completing the formalities, in the opinion of the Times, cannot in fairness be charged to the committee and officials any more than can the lengthy period which must elapse before definite results from the reconstruction can be looked for. In both cases the abnormal circumstances created by the war are ample justification and explanation. J. A. Goudge, of the Buenos Aires and Pacific, who investigated the properties, says that the lines have been starved for repairs and recommends the revision of unremunerative rates and the developments of the land grants and the pulpwood industry as likely to add substantially to earning capacity. Generally speaking, it is apparent that the new management is marking time and running the properties as efficiently as possible under existing conditions. It is scarcely possible that there will be anything available for distribution when the accounts are again balanced, having regard to the provision that must be made for renewals and similar disbursements, but as there is a fair amount of cash on hand and other sources of income might prove exceptionally liberal, the bondholders may not have to wait very long after all. Nevertheless, comments the Times further, as things are it is desirable that bondholders should not be too optimistic and should recognize that it is for their own interests, in more senses than one, that the physical state of the property should be maintained in as high an order as modern standards demand. The block of preferred stock of the Algoma Central and Hudson Bay, which is to be ultimately distributed to the bondholders, has been received, but it is thought desirable to retain it intact for the time being, in case its voting rights should be required.

CANADIAN PACIFIC.

For the first week in July the gross receipts of the Candian Pacific Railway Company amounted to $3,101,000 compared with $2,616,000 for the corresponding period in 1916, an increase of $485,-000 or 18.5 per cent. and a gain of $174,000 over the figures for the first week in June. Following are comparative figures:—

	1917	1916	Inc.	%
June 7	$2,927,000	$2,674,000	$253,000	9.4
June 14	3,165,000	2,629,000	536,000	20.4
June 21	2,939,000	2,631,000	308,000	11.7
June 30	3,975,000	3,409,000	566,000	16.6
	$13,006,000	$11,343,000	$1,663,000	14.6
July 7	3,101,000	2,616,000	485,000	18.5

British financial writers are speculating as to whether the Canadian Pacific has in contemplation a further extension of its ramifications throughout the Empire. In this connection is pointed out the very special interest which the company has recently been displaying in Empire matters. A booklet of charts and figures, showing at a glance the extent and commercial value of the King's widely scattered domain, has recently been issued by the company. This evidently has for its aim the enlightenment of the British public in regard to the Empire. It is pointed out that within the confines of the Empire there are opportunities for all; yet, in spite of the fact that huge areas of land are still waiting for human cultivation, many thousands of people leave Great Britain every year, or rather have done so in the past, to settle in foreign lands. This is described as not only foolish but unpatriotic, because the British Empire needs and has use for all her sons and daughters. A writer in the *Financier* suggests that this booklet, being of great educational value, might, with advantage be circulated amongst all the public and private schools in the Kingdom, and all the farmers' and working men's clubs. "We want," says the writer, "the rising generations to know more about their splendid heritage and the workers — especially those with some knowledge of agriculture—to take advantage of the opportunities which the Dominions will present after the war." The booklet not only refers to the Dominion, but points out the undeveloped resources of Canada, Australia and South Africa, where profitable employment could be found by as many millions of the British race as they now contain.

Canadian Pacific made one of its quick market movements this week when it sold at 167¼. This compared with a price of 159 at the end of last week. There was no particular news regarding the company, but there is a feeling that the advance may be a reflection of confidence that an advance in Canadian freight rates is to be sanctioned by the Railway Commission.

CANADIAN NORTHERN.

Gross earnings of the Canadian Northern Railway for the first week in July amounted to $902,300, as compared with $885,100 for the corresponding period in 1916, an increase of $17,200, or 1.9 per cent. and were $6,400 below the earnings shown for the first week in June, the percentage gain for that week being 44.3 per cent. Following are comparative figures:—

	1917	1916	Inc.	%
June 7.	$908,700	$629,700	$279,000	44.3
June 14.	916,800	880,400	36,400	4.1
June 21.	911,400	744,300	167,100	22.4
June 30.	1,311,700	1,122,800	188,900	16.8
	$4,048,600	$3,377,200	$671,400	19.9
July 7—	902,300	885,100	17,200	1.9

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway system for the week ending July 7 show a substantial gain as compared with the corresponding period last year but a falling off as compared with the figures for any week in June. The figure was $1,297,003 compared with $1,-156,029 for the corresponding period in 1916, an increase of $141,974 or 12.3 per cent. The earnings for June and for the first week in July are as follows:—

	1917	1916	Inc.	%
June 7	$1,333,194	$1,107,091	$226,203	20.5
June 14	1,348,185	1,113,418	234,767	21.1
June 21	1,441,424	1,152,440	288,984	25.0
June 30	2,104,316	1,736,084	368,232	21.2
	$6,227,119	$5,109,033	$1,118,086	21.9
July 7.	1,297,003	1,155,029	141,974	12.3

For the week ending June 14, the gross earnings of the Grand Trunk Pacific Railway Company amounted to £24,938, compared with £16,916 for the same period in 1916, an increase of £8,022. From July 1, 1916, to June 14, the earnings were £455,-449, an increase as compared with the corresponding period last year of £22,836.

Wm. A. Reid & Co. have sold an issue of $2,700,000 Canadian Northern one-year secured gold notes. These are to refund an issue of $3,000,000 notes coming due July 10, and will have the same collateral as under that issue, consisting of first mortgage bonds of the Canadian Northern Railway, guaranteed principal and interest by the Dominion of Canada or Canadian provincial governments.

CANADA STEAMSHIPS.

An interesting feature of the week in connection with the Canada Steamships securities has been the improvement in the preferred which sold up to 81½ or an advance of 1½ points since the first of the month. In this connection readers of this column may recall that THE FINANCIAL POST has been pointing out that at 80 the preferred seemed to offer unusual attractions because with arrears the dividends to the end of the year were better than 18 per cent. on the investment with no definite indication that there should be a material break in the market value of the stock. The common closed last week at 44, but declined in the early trading this week to 43; however, strength was again in evidence and the price moved up to 43⅜.

ELECTRIC RAILWAYS

Situation Shows Little Change During the Week, and no Improvement as to Prices.

Although the attention of Eastern Canadian investors in street railway stocks has been particularly attracted to the situation in Toronto, there has been practically no change in the market and no marked improvement from the generally sagging tendency which has been in evidence in this department for many weeks. The labor problem is being recognized as a particularly serious one for the railway companies, while the war seems to have tended to engender a socialistic spirit, which bodes no good for those corporations depending upon franchises and public opinion for their well-being. Strikes are not to be encouraged when they can by any means be avoided. They not only have the effect of disturbing local conditions, but they have a general tendency to align public opinion against the private utility corporation, and thus encourage support for the advocates of a more general application of the policy of government and public ownership.

Those interested in light and power securities are directed to an article in the current issue pointing out some features of the report of the Toronto Hydro system, which indicate that the showing made for the year 1916 was largely effected through an adjustment of the funds which had previously been devoted to the depreciation account.

The survey of Canada's natural resources being made by the Canadian Pacific Railway is expected to reveal some interesting facts regarding undeveloped water powers. Investigation of conditions in the prairie provinces has already been made, showing an aggregate of over 7,000,000 horse-power available, and of this amount only a little over 100,000 horse-power has up to this time been developed.

MONTREAL TRAMWAYS.

The Montreal Tramways Company's traffic report for the week ending June 30, shows a steady average as compared with the corresponding week a year ago. The Tramways Commission has given no sign of life recently, and it is still a matter of speculation just what progress has been made on the new charter. Some impatience is being expressed by the people because of the long delay.

TORONTO RAILWAY.

The movements of Toronto Railway stock during the week failed to show any sensational developments on account of the strike, Friday's prices being practically on a par with those which prevailed prior to the outbreak of the trouble. However, the sentimental effect of the disturbance was noted in the interval when there was a dip to 73. However, there was no evidence of that selling pressure which might have been looked for, and the total volume of sales up to Thursday night was not much over the thousand mark. The strike and its effects are referred to elsewhere.

BRAZILIAN TRACTION.

Reports from British sources refer to the prosperity which prevails in the State of Sao Paulo in which the Sao Paulo Tramways and the Sao Paulo Electric companies, subsidiaries of the Brazilian Traction, operate. This State has attained the position of the greatest coffee growing country in the world and the new crop, which is reckonoed from July 1, will be larger than the one for last year. However, in addition to coffee, Sao Paulo has become an important producer of other foodstuffs. such as beans, rice and maize and of which considerable quantities are being shipped to the United Kingdom and the allied countries of France and Italy. Another new source of wealth is the chilled and frozen meat industry which, although still in its infancy, is progressing by leaps and bounds and will be further developed by the construction of a large packing establishment, which Armour & Company, of Chicago, are about to undertake. With the resources of the state developing so rapidly in many directions it would appear to be obvious that the demand for electricity for all purposes should increase in proportion.

WINNIPEG ELECTRIC.

The net earnings of Winnipeg Electric for May showed a falling off as compared with the figures for the same month in 1916. For the month the net, after deducting operation costs, amounted to $64,144, as compared with $103,277 for May a year ago, a decrease of $39,-133 or 37.9 per cent. Gross earnings for the month amounted to $259,793. The net earnings after meeting fixed charges were $3,856.

There has been no further evidence of the market opinion of the stock's value since the transaction in a small lot at 45 about the middle of last month. Late quotations show 50 asked and no bids recorded.

ILLINOIS TRACTION.

The financial statement of the Illinois Traction Company for the fiscal year ending December 31, 1916, shows total gross earnings of $12,566,447, as against $11,187,994 for the previous year, an increase of $1,378,453. After operating expenses and taxes, the net was $7,489,797, an increase of $832,228. Receipts and expenditures for 1915 and 1916 compare as follows:

	1916.	1915.
Interurban lines ..	$3,993,836.09	$ 3,559,028.03
City lines	3,110,811.18	2,871,035.35
Gas	923,642.11	905,702.79
Electric	3,689,851.58	3,325,410.62
Heat	341,379.58	317,579.84
Water	14,476.25	14,215.86
Miscellaneous	492,450.38	195,022.21
Ttl. gross earn...	12,566,447.17	11,187,994.70
Oper. exp. & taxes	7,489,797.34	6,657,569.14
Net from oper....	5,076,649.83	4,530,425.56
Int. on bonds....	3,603,417.34	3,268,607.01
Available for depr. div., etc.	1,473,232.49	1,261,818.55

The balance sheet shows total assets of $25,394,602. Of this total stocks of subsidiary companies account for $21,-514,547, while advances to these companies are $3,020,142.

W. B. McKinley, the president, in his report to the shareholders, comments upon the increase in both gross and net earnings, which he considers especially gratifying because of the extraordinary high prices which prevailed throughout the year on substantially all the materials necessary in the operation of the properties.

During January a disastrous and extensive flood prevailed in the Illinois River Valley, seriously affecting the operation of industries in La Salle, Peru, Ottawa, and Marseilles, including the company's gas works at La Salle and the generating stations at La Salle, Ottawa and Marseilles, which were flooded and out of service for five days. The Chicago, Ottawa and Peoria Railway also suffered from the high water, and as a result its operation was interrupted during this period. The damage, except for loss of earnings, was not large.

BARCELONA.

Trading in Barcelona Traction this week continued in that desultory fashion which has been noted for some months. There was practically no change in the price which declined to 10¾, but later improved to its former level of 11.

BRAZILIAN TRACTION.

When Brazilian Traction touched 40½ this week it made the best record since the latter part of May. There was a fair volume of buying and indications that there would have been greater interest were it not that technical conditions in the market are not encouraging to trading. Considerable of the buying was in Montreal and was accompanied by a report for 1916, and would be available shortly, and that there was reason to believe that the results to be shown would be satisfactory under the conditions which prevail. Under the circumstances it is believed that many of those who bought the stock at high levels are taking advantage of the opportunity offered to even up their price. Favorable conditions as regards exchange have also been a factor in the situation.

DETROIT UNITED.

There has been a fair volume of trading in Detroit United again this week, a decline in the price from 108 at the opening of last week to 106⅛ in the first days this week seeming to have the effect of again reviving buying interest. The result was that a measure of strength was established and the price moved up to 107.

DULUTH-SUPERIOR.

There has been a continuation of the dullness in Duluth-Superior trading which has been in evidence for weeks, and particularly since the price broke below the 45 mark. There were a few sales this week at 43-43⅛.

LIGHT AND POWER

HALIFAX POWER.

The liquidation and winding up proceedings of the Halifax Power Company, if they ever come to anything, promise to be very long drawn out and tedious. There have already been many postponements in the preliminary cases before the courts and last week there was still another adjournment till to-day (July 13th). A little progress was made last week though the merits of the case were not reached. Counsel for the Halifax Power Company held that the proceedings taken by the petitioner for winding up were faulty. Chief Justice Graham, who was hearing the application, found the question so involved that he decided to refer it to the full court which meets to-day, July 13.

The winding up is asked for on the petition of J. McG. Stewart, who holds a block of stock and bonds in the company sold by Arthur Redden. Mr. Redden was one of the first to become interested in the company, but he sold out, and Mr. Stewart holds securities in it and now asks for a winding up.

It is generally reported on "the street" that this is in reality a fight between the Nova Scotia Tramways and Power Company and the Halifax Power Company. The latter concern is by no means in a strong position and though it proposes to ask, on a plebiscite, for authority to make a contract with the City of Halifax, its resources are not very great, so far as can be seen, nor is its outlook hopeful. Nevertheless the developments of the legal struggle should be of interest particularly to investors and the outcome, if this should be the disappearance of the Power Company, should be a good thing for the Tramways people, who would thus see the removal of a possible competitor.

MARITIME ELECTRIC.

The Maritime Electric Company, is the name of a new compnay that has been incorporated with a Dominion charter, and an authorized capitalization of one million dollars. The incorporators are J. J. F. Winslow, barrister, and others, all of Fredericton, N.B. The head office of the company will be at Fredericton.

SOUTHERN CANADA POWER.

The net earnings of the Southern Canada Power Company for the month of May were $15,911, as compared with $7,-682 for May, 1916. The net earnings of the company for the eight months to May 31, were $147,267, as compared with $107,850 for the corresponding period of 1915-6, while the surplus after charges was $41,067, as compared with $11,250. The figures follow:—

May—	1917.	1916.
Gross	$ 35,827	$ 20,317
Oper. exp.	19,916	12,634
Net	$ 15,911	$ 7,682
Eight months—	1916-17.	1915-16.
Gross	$303,501	$215,693
Op. exp.	156,233	107,842
Net	$147,267	$107,850
Charges	106,200	98,600
Surplus	$ 41,067	$ 11,250

QUEBEC RAILWAY.

By a decision of Judge Audette of the Exchequer Court this week the Federal Government will pay the Quebec Ry., Light, Heat & Power Company the sum of $275,000 for property known as the Quebec Gas Company's land, belonging to the Quebec Railway Co., which was expropriated by the federal authorities. To this is added a sum already decided upon by mutual agreement, making a total sum of $305,000 in all. The Crown pays all the costs.

ALABAMA TRACTION.

The statement presented at the annual meeting of the Alabama Traction, Light Heat & Power Company held in Montreal this week, showed largely increased gross and net earnings, the company having been able to pay its fixed charges for the first time since it was organized. The surplus, before providing for depreciation of plant and equipment, etc., was $85,000. In order to create a market for its surplus power, the company financed the Anniston Steel Company which has all the orders that it can take care of for some time. The development of the graphite industry in the district has also become a big factor in the district in which the company operates.

SHAWINIGAN.

Shawinigan has attracted very little trading attention of late, the total sales of the past fortnight being only about 40 shares. The price has shown some fluctuations between 119¼ and 121 during that period.

CONSUMERS' GAS.

Consumers' Gas has taken the level of the new issue at 150 and there have been a few transactions at that figure without any evidence of change.

MINING STOCKS

Silver Advances Nearly 2 Cents, Carrying Shares Up—Sales Average Over 100,000

The improvement in the mining market that was noted last week has continued and an even greater advance has taken place in practically every security, gold and silver alike. The silver market, too, is rising steadily and the activity on the exchange reflected, the better feeling. During the past week there had been a total of 335,489 sales for the 5 days on an average of 67,098 a day. For the week ending July 12, the total sales were 656,863, or an average of 109,-477 a day. Indeed out of the six days four were in the "hundred thousand" area, and on Thursday 173,725, sales were registered as the following schedule shows:

Date.	Transactions Shares	Silver Cents
Friday, July 6	77,265	78⅜
Saturday, July 7	47,643	78¼
Monday, July 9	115,130	78⅝
Tuesday, July 10	101,155	79½
Wednesday, July 11	141,945	80
Thursday, July 12	173,725	80¼
Total	656,863	
Average daily	109,477	

Little is heard now of strike troubles. The bonuses offered seem to have satisfied the men and this effect has been strengthened by the buoyant tone of the market, indicating that these bonuses were likely to continue in effect for some time.

Silver between Friday of last week and Thursday of the present week, showed a net advance of nearly two cents, going up from 78⅜ to 80¼, being 78⅝, 79½, 80, and 80¼ for the past four days. Last week the advance was from 77¾ to 78½, a gain in two weeks of 2½ cents. This record price is due to the heavy demand for silver. The Cobalt mines during the first six months of 1917 received 20 per cent., an ounce more for their silver than in the corresponding period of 1916; 51.6 per cent., more than 1915, and 30 per cent. more than during 1914. In an estimate of Mark Harris it is figured that June prices averaged 17 per cent. more than in 1916, 56 per cent. above 1915 and 35 over three years ago.

High as the official figures have been for silver this week some actual transactions were put through at heavy advances on the quoted prices. One of these was a purchase by American bankers from the Mining Corporation of Canada of 200,000 ounces at 83 9/16c, the highest price touched in many years, and 6 5/16 above the price touched in May of last year, 77¼. It is said that the East is calling for large quantities of silver and thus driving the market up. It is well indeed, for Cobalt securities that silver is going up for the output continues to decline and it is estimated that not more than 19,000,000 ounces will be turned out this year, a reduction of 2,500,000 over last year. The higher price of silver will bring the value to some $2,000,000 more. There is a smaller output in spite of the employment of some 3000 men as

Continued on page 5.

GENERAL MINING AND EXPLORATION COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 11th day of June, 1917, incorporating William Alfred James Case, solicitor; James Broadbent Taylor, accountant; William Morley Smith, barrister-at-law; Charles Lawford Valens and Cyril Middleton Smith, students-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.: (a) To prospect for, open, explore, develop, work, improve, maintain and manage gold, silver, copper, nickel, lead, coal, iron and other mines, oil wells, gas wells and oil and gas properties and other deposits and properties, and to dig for, raise, crush, wash, smelt, assay, analyze, reduce, refine, amalgamate and otherwise treat ores, metals, oil, gas, minerals and chemicals of all kinds, whether belonging to the company or not, and to render the same merchantable, and to deal in, buy, sell and otherwise dispose of the same or any part thereof or any interest therein, and generally to carry on the business of an exploration, mining, milling, reduction, smelting, refining and development company; (b) To acquire by purchase, lease, concession, license, exchange or other title, lands, mines, mining lands, leases, easements, mineral properties or any interest therein, minerals and ores and mining claims, options, powers, privileges, water and other rights, patent rights, letters patent of invention, processes and mechanical or other contrivances, and either absolutely or conditionally, and either solely or jointly with others and as principals, agents, contractors or otherwise, and to lease, place under license, sell, dispose of and otherwise deal with the same or any part thereof, or any interest therein; (c) To construct, maintain, alter, make, work and operate on the property of the company, or on property controlled by the company, reservoirs, dams, flumes, race and other ways, water powers, aqueducts, wells, roads, piers, wharves, buildings, shops, stamping mills, dredges and other works and machinery, plant and electrical and other appliances of every description, and to buy, sell, manufacture and deal in all kinds of stores, implements, provisions, chattels and effects required by the company or its workmen or servants; (d) To construct, acquire, own, charter, navigate, operate, maintain, manage, hire, lease, sell or otherwise dispose of all kinds of steam and sailing vessels, boats, barges and other vessels, wharves, docks, elevators, warehouses, freight sheds and other buildings, and generally to carry on the business of an elevator, navigation and transportation company; (e) To acquire by lease, purchase or otherwise, steam, electric, pneumatic, hydraulic or other power or force, and to use, sell, lease or otherwise dispose of the same for the purpose of light, heat or power, provided, however, that any sale, distribution or transmission of electric, pneumatic or other power or force beyond the lands of the company shall be subject to local and municipal regulations in that behalf; (f) To acquire by purchase or otherwise and hold lands, timber limits or licenses, water lots and interest therein, and to build upon, develop, cultivate, farm, settle and otherwise improve and utilize the same, and to lease, sell or otherwise deal with or dispose of the same; (g) To manufacture, buy, sell and deal in logs, lumber, timber, wood, all articles into the manufacture of which wood enters, and all kinds of natural products and by-products thereof; (h) To purchase and otherwise acquire, hold, sell or otherwise dispose of shares or stock, bonds, debentures or other securities in any other corporation, notwithstanding the provisions of section 44 of the said Act; (i) To purchase or otherwise acquire and undertake all or any part of the assets, business, property, privileges, contracts, rights, obligations and liabilities of any person or company carrying on in whole or in part business similar to the business which this company is authorized to carry on or possessed of property suitable for the purposes thereof; (j) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company; (k) To raise and assist in raising money for and to aid by way of bonus, loan, promise, endorsement, guarantee of bonds, debentures or other securities or otherwise any corporation in the capital stock of which the company holds shares or of any corporation or person or persons with which it may have business relations, and to act as employee, agent or manager of any such corporation, person or persons, and to guarantee the performance of contracts and obligations by any such corporation or by any person or persons with whom the company may have business relations or the guaranteeing of whose obligations appear to be of benefit to the company; (l) To lease, sell or otherwise dispose of the property and assets of the company or any part thereof, for such consideration as the company may deem fit, including shares, debentures or securities of any company; (m) To apply for, purchase or otherwise acquire, protect, prolong, and renew patents, patent rights, trade marks, formulae, licenses, protections, concessions and the like, conferring or relating to any exclusive or non-exclusive or limited right, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated, directly or indirectly, to benefit the company, and to use, exercise, improve, develop or grant licenses in respect of or otherwise turn to account the property, rights or information acquired; (n) To distribute among the members of the company any shares, debentures, securities or property belonging to the company, to pay for any services rendered to and any properties and rights acquired by the company in such manner as may be deemed expedient and in particular by the issue of shares of securities of the company credited as fully or partly paid up; (o) To distribute or divide assets of the company in specie among the shareholders; (p) To do all acts and exercise all powers and carry on all business incidental to the due carrying out of the objects for which the company is incorporated or necessary to enable the company to profitably carry on its undertaking; (q) No power granted in any paragraph hereof shall be limited or restricted by reference to or inference from the terms of any paragraph hereof; (r) To enter into any arrangements with any governments or authorities, supreme, provincial, civic, municipal, local or otherwise, that may seem conducive to the company's objects, and to obtain from any such government or authority any statutes, ordinances, licenses, contracts, orders, regulations, decrees, rights, powers, franchises, privileges and concessions which the company may think it desirable to obtain and carry out, exercise and comply with the terms of the same. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "General Mining and Exploration Company, Limited," with a capital stock of forty thousand dollars, divided into 400 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 13th day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

The UNION BANK OF AUSTRALIA, Ltd
Established 1837. Incorporated 1880.
CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,960,000 Together £3,960,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,960,000
Head Office: 71, CORNHILL, LONDON, E.C
DIRECTORS.
HENRY P. STURGIS, Esq. (Chairman).
Arthur P. Blake, Esq.
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.
Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, 39 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

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NEWS OF SECURITIES

Continued from page 4

ainst 2,500 to 2,600 last year, as e average grade of ore is dropping. In the gold mines Hollinger made e greatest advance, selling up om $4.28 to $4.60. And Newray dvanced 4 points. In silver, Nipsing rose from $7.00 to $7.60, Beav from 34 to 37½, McKinley from to 57 and Adanac broke into the t of leading sellers with an adnce in four days from 10 to 16.

	Close, July 5	Close, July 12	Change	
Gold—				
llinger	4.28	4.60	+	.32
me Mines	12.25	12.10	—	.15
eIntyre	1.58	1.59	+	.01
ewray	.51	.55	+	.04
est Dome	.20¾	.21	+	.00¼
me Exten.	.28¾	.18½	%	.00¼
ston Creek	.60	.56	—	.04
pond	.31½	.31	—	.00½
Silver—				
danac	.10	.16	+	.06
aver	.34	.37½	+	.03½
argreaves	.11¼	.11	—	.00¼
eKinley	.50	.57	+	.07
miskaming	.37¾	.39	+	.01¼
pissing	7.00	7.60	+	.60

ADANAC.

This stock has proved almost a sention in the market this week, as near- 100,000 shares were sold. The activy was due to the announcement of a scovery of high grade ore in the west ift on the 310-foot level, which was inches wide at the outset but has oadened to 9 inches. It has been llowed for a distance of 80 feet, and e ore has assayed 1,000 oz. to the n. Last week the stock had stood 10, and only 1,200 shares were sold. n Monday of this week it jumped from 0 to 13¾ on news of the discovery, ith sales of 36,600 shares. By Tuesay the total had gone up to 47,100 and e quotation was 14½. It continued e same on Wednesday but on Thursy jumped as high as 16, with total les for the week so far of 91,500.

GIFFORD.

Sinking on Gifford will be continued the 420-foot level where the comny will cross-cut to the contact. The aft is completed now to the 300-foot vel. Trading started this week at ⅞ with 5,500 shares, and on Thursday 500 shares exchanged hands at 4⅞, new high record this year.

HOLLINGER CON.

A new vein has been cut at the 425- ot of the workings at No. 10 shaft, rrying free gold and containing high erage gold content. The management ich is throwing new energy into delopment is working towards centralizg the underground workings so that l the ore bodies so far opened up may readily accessible to the central shaft d to the mill. This will reduce ming and milling costs. It is believed at the deficit caused by paying divinds when working forces were not ailable to maintain the necessary proction will be wiped out entirely.

The advance in the stock that follow on the announcement that a $4 flat te had been granted the muckers, conued this week. It had gone up from .75 to $4.20 by the week end, and conued to $4.50 and $4.60 by Thursday, th sales of 7,380.

McINTYRE.

The drift on McIntyre at the 1,000- ot level has passed the boundary of cIntyre Extension and is now on to piter ground. The McIntyre report ich will cover the 15 months ending ne 30 will show a splendid increase ore reserves.

Starting the week at 157 the stock ctuated between 156 and 160, closing ursday at 159. There were 27,567 les.

DOME EXTENSION.

It is reported that the Dome Extenon will be taken over by Dome Mines the early Fall. The property is beg explored by diamond drills at the 0-foot level.

The stock opened the week at 17½ d by Wednesday had risen to 19½ ich it held on Thursday. Over 20,000 ares were sold.

TOUGH OAKS.

This mine is so far the only dividend yer in Kirkland Lake camp. During six months ending June 30, $65,187.- was paid, bringing the total to date $391,125.

NEWRAY.

A gold bullion shipment has been de to the Royal mint at Ottawa, presenting the work by the mill since y 15, on tailings and left-overs from operations of the Mines Leasing and velopment Company. Much interest its the returns from the next clear-

Since the end of the week there was advance from 50 to 53 on Tuesday, d to 54 by Wednesday.

ASSOCIATED GOLDFIELDS.

Equipment for the new plant is being ipped in and it is planned shortly sink two more shafts to the 500- t level. A telephone line is being ilt to the properties in the Larder ke district, which will give the comny 40 miles of phone lines.

NEW NICKLE PLANT.

The British Government has formed, a war measure, the British-America ckle Corporation, capitalized at $20,- ,000 to produce nickle in Canada and ke the more certain that it will not ch Germany. A $7,000,000 plant will erected four miles northwest of Sudy. The Booth and other mines have n bought and diamond drilling has ealed, it is claimed, 18,000,000 tons ore.

GRANBY CONSOLIDATED.

The Granby Consolidated Mining and elting Co. has declared its regular arterly dividend of 2½ per cent., payle Aug. 1 to stock record of July 18.

PORCUPINE NORTH-STAR.

HE FINANCIAL POST has receiv the following information about the rcupine North Star Gold Mines, Ltd., m H. Campbell-Carson, M.A., F.S.S., retary-treasurer of the company.

The properties owned by the company consist of two groups of claims (ten in all) in Porcupine and the Malaga or Ponhook mine in Queen's County, Nova Scotia. The Porcupine acreage amounts to 347 acres and the Nova Scotia acreage to 530 acres, including 250 acres of hardwood timber lands, which will supply the necessary fuel. The total consideration paid and to be paid for all these properties is $50,000 in cash and 400,000 shares of its capital stock at par value ($1.00) plus 800,000 shares. The authorized capital is $2,500,000, of which $1,200,000 is issued. The entire cash of money end of the property purchase has already been provided for by the disposal of 225,000 shares, on the basis of 30 cents per share.

The immediate policy of the company is, firstly, to place the Malaga mine on a producing basis and later, by the sale of further stock at around par, to develop the Porcupine claims. The Malaga is a developed and equipped mine. The present plant and buildings cost $40,000. The mill contains 40 stamps, capable of treating 40 tons of ore per day. The average value of the ore, which is free-milling, runs in excess of $24 per ton. Active work will commence during July and it is expected the mine can be placed on a producing basis within 60 or 90 days.

The bulk of the company's shares have been placed in Ohio. Before being permitted to offer them in that state, the company had to undergo a vigorous examination by the state banking department. A government certificate was issued declaring the belief that the company was solvent, was capably managed and its offering of securities was made on fair terms.

It is estimated that the sale of a further 75,000 shares will adequately provide the working capital necessary to place the Malaga property on a profit-earning basis. These shares are now being offered at 45 cents.

OTHER STOCKS

Summer Dullness a Factor in Continuing the Quietness in Trading.

Seasonable dullness of the dog days now comes as an added factor in keeping the market in the dull rut in which it has been moving for weeks. In other directions there is little or no inspiration for activity. A few specialties from time to time attract some attention but this is spasmodic and opinion does not respond to the usual influences. Money continues tight, although there are some slight evidences of improvement, and a comparative shortage of trading capital is expected to continue indefinitely. Under such conditions there is not a very bright outlook for activity on the market. Aside from this there are so many factors which make for uncertainty that investors' nerves are more or less on edge. The future is one which is very much clouded and precedent is a poor guide under the abnormal conditions which prevail. Industrial activity seems to be assured so long as the war lasts at least but the margin of profits is being steadily narrowed by the rise of raw materials, labor and other factors entering into the cost of production.

AMES-HOLDEN-McCREADY.

Sales of Ames-Holden preferred took place at the close of last week and the beginning of this at 49, showing no change from the previous week, but being one point below the best showing of June. Volume of trading was small. There were no transactions in the common.

CANADIAN RUBBER.

It is understood that renewed efforts are being made by the interests in control of the Canadian Consolidated Rubber Company to clean up the small balance of common stock not now owned or controlled by the United States rubber interests. The amount of common stock still outstanding is very small, but as the controlling interests are anxious to proceed with the reorganization of the company they are desirous of getting all the stock in their hands. The only sales of the stock made on the Montreal Exchange this year were around 97, but it is reported that the company would be willing to pay around par for the stock.

CANADA CEMENT.

Under a small volume of trading Canada Cement showed a fractional improvement early this week, the price going to 61, which is the best figure since the close of June. The preferred rose from 92 to 92½, but later declined to the former figure. The range last week was 91 to 92½.

CARRIAGE FACTORIES.

Carriage Factories, which has had a disappointing career for many investors, was again sold at 9½ this week. The slump has been spasmodically downward for months, the best of the year being 25 in January. The company is facing many of the difficulties which industrial concerns in general are meeting throughout the country.

CANADIAN SALT.

The first sale of Canadian Salt, since the early part of May took place this week. The price was 130, showing a decline since the last of 3 points and being 4 points off from the best of the year although on a par with the earliest transactions in March. The decline would indicate an adjustment in accordance with the general trend of the investment situation rather than a change in the company's actual earning capacity.

CANADA BREAD.

On Saturday of last week Canada Bread stock for a brief while figured in the selling when a block of 100 shares changed hands. The price figuring in the transaction was 15 which is no change from the prevailing figure of the past few weeks. This is only the fourth sale recorded in this stock since April all of them being at that figure. Mr. Breden reports that the company is doing a good business with a material improvement over that of last winter. The decline in price and the probable further decline is given as the chief reason for the satisfactory business. There has been no transaction in the preferred since March when a few shares changed hands at 85.

DOMINION LINENS.

Considering the unsettled conditions prevailing, very satisfactory results are being shown for Dominion Linens, Ltd., which was organized in 1914, just prior to the outbreak of the war. According to figures circulated by Ferguson, Sanson & Graham, the original shareholders have profited in the three years of the company's existence as follows: 1914, $4,872.14; 1915, $31,526.11; 1916, $45,246.69. During 1916 the capital was increased to $482,850, of which $282,850 was 7 per cent. preferred stock and the balance common stock. The company paid its 7 per cent. dividend on the preferred in 1916 and carried forward a surplus of $23,227, after having written off $10,715 for depreciation, the betterment for the shareholders being $45,236. The prospects for 1917 are said to be good. The mills have never been so busy and orders for goods are said to be more than 40 per cent. in advance of the same of 1916; it is believed that the profits will be easily 50 per cent. in advance of last year.

DOMINION CANNERS.

Canning prospects for the coming season seem, despite the unseasonable weather, to be still very satisfactory. J. L. Stocks of the Canadian Canners, states that they are expecting at least a good normal crop, and possibly somewhat better. Weather conditions have been anything but satisfactory, excessive rain, and even in some places hail, having done some damage to the canning stocks while the growth is being seriously retarded in some cases. Corn is exceptionally late which introduces the element of danger, always present with a delayed crop, that it may be caught by the frost. Up to the present, however, there is no indication of any difficulty, and save in that one instance there is little indication of backwardness.

The tin plate situation too has eased off to a gratifying extent, and canners have been advised by the can companies that their contract orders will be filled in full. This will obviate any difficulty of a shortage from this cause, at least as far as the larger companies go, as provision has been made in the contracts for a largely increased pack. It is estimated that a considerable increase over the average pack will be needed to meet the demand which is now faced by a practically bare market.

There has been no activity noted in the stock of the Dominion Canners for some time back, the investing public evidently showing no great interests in stocks of this character. The last sale in the common was at 23½ and in the preferred at 75.

GENERAL ELECTRIC.

Canadian General Electric showed a better tone this week, the price showing a fractional improvement to 103. This is about on a level with the market at the close of the month, but there was a dip to near par in the interval. The volume of business was but slightly better than the low level, which has been noted for some weeks.

GREAT WEST PERMANENT.

In announcing a reduction in the annual dividend rate from 8 per cent. to 5 per cent., "for the purpose of strengthening the financial position of the company," the directors of the Great West Permanent Loan Company have adopted a course which should be reasonably accepted by the shareholders. The policy of maintaining the dividend on the higher basis has been subject to criticism in the past, owing to the fact that the conditions prevailing were not favorable to the operations of the company, and that, while the amounts being distributed were covered by earnings, allowance was not being made for that depreciation of investments which conservative financing would seem to make advisable. The 5 per cent. declaration would seem to be more in keeping with the company's earnings, the prevailing conditions and the tendency of Western investments to depreciate in value in relation to the pre-war market.

INTERNATIONAL PETROLEUM.

There has been little trading on the Toronto Exchange in International Petroleum in some weeks. However, there are reports of a good volume of buying in the States, and the story is being revived that this has been from sources which are close to the management, and from interests which are identified with the Mid-West Refining Company. In this connection it is believed that steps are being taken which will have the effect of creating closer relations between these two companies, with more than a possibility that an actual merger will be

Continued on page 7.

GOLDWYN PICTURES LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79, of the Revised Statutes of Canada, 1906, and known as "The Companies Act," Letters Patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 19th of June, 1917, incorporating George Herbert Sedgewick and James Aitchison, Barristers-at-Law; Albert Benjamin Nind, Student-at-law; Stanley William Gordon, Law Clerk; and Duncan Angus McCrimmon, Accountant; all of the City of Toronto, in the Province of Ontario, by the name of "Goldwyn Pictures, Limited" for the following purposes, namely:—(a) To produce or acquire by purchase, lease, exchange or otherwise, motion picture films and to exhibit and distribute motion picture films and generally to carry on in all its branches a theatrical business; (b) To manufacture, buy, sell and deal in goods, wares and merchandise of all kinds; (c) To purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property or any rights or privileges which the company may think necessary or convenient for the purposes of its business or capable of being profitably dealt with in connection with any of the company's property or rights, for the time being; (d) To purchase, lease or otherwise acquire and to hold, exercise and enjoy in its own name, all or any of the property, franchise, goodwill, rights, powers and privileges held or enjoyed by any person or firm or any company or companies carrying on a business in whole or in part similar to that of the company, and to pay for such property, franchise, good-will, rights, powers and privileges wholly or partly in shares of the company wholly or partly paid up and to undertake the liabilities of any such person, firm or company; (e) To aid in any manner any corporation any of whose shares of capital stock, bonds, debentures or other obligations are held or are in any manner guaranteed by this company and to do any act or things for the preservation and protection, improvement or enhancement of the value of any such shares of capital stock, bonds, debentures or other obligations, and to do any and all acts tending to increase the value of any of the property at any time held or controlled by this company; (f) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (g) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, grants, leases, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use, any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to pay for the same in cash, shares or other securities of the company or otherwise, and to use, develop or grant licenses in respect of, or otherwise turn to account the property rights or information so acquired; (h) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same; (i) To enter into any arrangement with any government or authorities, supreme, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such government or authority any rights, privileges, concessions or franchises which the company may think it desirable to obtain, and to carry out, exercise, comply with or surrender any such arrangements, rights, privileges, concessions and franchises; (j) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors or associates in business) or the dependents or connections of such persons, and to grant annuities, pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object; (k) To promote any company or companies for the purpose of acquiring or taking over all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (l) To construct, improve, maintain, work, manage, carry out ticular for shares, debentures, debenture stock or other securities of any other company; (p) With the approval of the shareholders, to remunerate any person for services rendered to the company in such or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses. electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (m) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (n) To purchase, take or acquire by original subscribtion or otherwise and to hold, and with or without allotment of shares; bonds or other securities of the company wholly or partly paid up, but nothing in this clause contained shall be deemed to limit the power of the directors to fix and pay the salary of any and all servants, agents and employees of the company; (q) To lend money to customers and other persons, firms and corporations having dealings with the company and to take security for the loan of such money; to guarantee the performance of the contractual and other obligations of any such customers and other persons, firms and corporations and any or either of them and to give any guarantee or indemnity as may seem expedient; (r) To adopt such means of making known the products and exhibitions of the company and of the persons, firms or corporations having contractual relations with the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and guarantee to sell or otherwise dispose of shares, stock, whether common or preferred, debentures, bonds and other obligations in and of any other company carrying on a business in whole or in part similar to that of the company and to pay for such shares, stock, debentures, bonds, and other obligations either in cash or partly in cash or to issue shares of this company fully paid up or partly paid up in payment or partly in cash and partly by the issue of shares of this company fully paid up or partly paid up, and, notwithstanding the provisions of Section 44 of the said Act, to use the funds of the company in the purchase of shares, stock, debentures, bonds and obligations in and of any other company carrying on a business in whole or in part similar to that of the company, and to vote on all shares so held through such agent or agents as the directors may appoint; (o) To sell, let or hire or otherwise deal with or dispose of the undertaking and assets of the company or any part thereof for such consideration as the company may think fit and in parparticular for shares, debentures, debenture stock or other securities of any other company; (p) With the approval of the shareholders, to remunerate any person for services rendered to the company in such manner as the company may deem expedient, and more particularly by the issue and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (s) To pay out of the funds of the company all expenses of or incidental to the formation, registration and advertising of the company, or in or about the promotion of this company or the conduct of its business; (t) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (u) To do all or any of the above things either as principals, agents, contractors or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise; (v) To do all such other things as are incidental to the attainment of any one or more of the above objects and so that the objects specified in each paragraph of the clause, shall, except when otherwise expressed in such paragraph be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or to or from the name of the company: The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Goldwyn Pictures Limited," with a Capital Stock of Forty thousand Dollars, divided into Four hundred shares of One Hundred Dollars each, and the chief place of business of the said Company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 19th day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

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CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on July 13, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings %	Dividends 1912	1913	1914	1915	Last Dividend Date 1917	Rate	Yield to July 5	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to July 5 High	Date	Low	Date	Close July 13 1916 Ask	Bid	Close July 12 Ask	Bid	Week ending July 12 High	Low	Last	Sales
4,866,666	3.017.333	198.175	7 97	8+1	8	8	8	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29			145							
15.000.000	13.500.000	461.892	15 70	10+1	10+2	10+2	10+2	1st June	q. 2½	5.37	Commerce	218	199½	205	203	203	183	188	Feb. 27	183	Apr. 5	190		186		187	186	186	131
6.000.000	7.000.000	344.439	14 05	12+2	12+2	12+2	12	2nd July	q. 3	5.91	Dominion	233	218	229½	227	220	204	212½	Jan. 9	203	June 28	204½	204½	205	204	204	204	204	1
3.000.000	3,300,000	175,821	14 14	11	12	12	12	1st June	q. 3	6.31	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	189	May 23	197			190	191	190	190	50
4,000,000	3.700.000	40.622	13 25	9	9	9	5	1st June	q. 2¼	6.20	Hochelaga	155	149	150	149	149	145	145	Jan. 9	143½	Mar. 26			143		143	143	143	64
7,000,000	7.000.000	1,089.656	14 73	12	12	12	12	1st May	q. 3	6.31	Imperial	218	210	214	210	203	180	200½	Jan. 11	190	June 14	203	200						
1,946,373	300,000	42.791	8 44	6¾	7	7	5	1st June	q. 1¼	4.42	Home Bank	116	110																
7,000,000	7,000,000	250.984	13 68	10	10	10	10	1st May	q. 2½	5.88	Merchants	193	177	180	180	180	150	170	Jan. 3	167½	Jan. 27	180	175	170		170	169¾	170	31
4,000 000	4.800,000	61.300	13 09	11	11	11	11	15th July	q. 2¾	6.11	Molsons	205	194	202	200	195	182	186	May 19	179½	Jan 24	198							
16.000 000	16.000,000	1,321.193	13 17	10+2	10+2	10+2	10+2	1st June	q. 2½	4.65	Montreal	250	227½	240	234	240½	219	234	Jan. 11	215	May 15	231			216½	218	216	218	13
2,000.000	1,900.000	54.843	16 66	7	9	8	8	1st May	q. 2	5.97	Nationale	133¼	131	132¾	132¾	134	134	134	Feb. 5			132¾							
6.500.000	12,000.000	396,115	18 07	14	14	14	14	3rd July	q. 3½	5.53	Nova Scotia	265	257	265	261	261	254	257½	Mar. 9	252	June 21	261		253		253	253	253	1
4.000.000	4,750,000	246.304	13 28	11¾	12	12	12	1st June	q. 3	5.94	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	205							
2.735.000	1.000.000	11,795	8 54	7	7	7	7	1st June	q. 1¾	....	Quebec	122	118	120	119	119	96					116½							
11.560.000	12.560.000	676,472	15 57	12	12	12	12	1st June	q. 3	5.68	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	210¼	June 26	214½	212	211		212	211½	212	5
3,000,000	4 000.000	651.646	18 78	163	13	13	13	1st May	q. 3¼	6.31	Standard	223½	208½	220	215	221	211¼	215	Jan. 2	206	June 11		217		205½	206	205	205½	62
1,198 801	3,000,000	52.134	12 20		6	6	6	15th May	q. 1½	6.12	Sterling	98½	98																
5,000,000	6.000,000	439,378	13 02	11+1	11+1	11+1	11	1st June	q. 2¾	5.78	Toronto	215	203	211	207	215½	190	213	Jan. 30	189	Apr. 25	199							
5,000,000	3.400.000	106.972	13 19	8	8	8+1	8+1	1st June	q. 2	5.71	Union	147½	137	140½	140	140	132	141	May 8	136	Mar. 29	136		140		141	140	141	17

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916																							
207.450 000	10.000.300										Barcelona, T. L. and P.	35⅛	15⅛	17⅜	7⅜	17	19	17	Jan. 4	10⅛	June 18	15	14	11¼	11	11⅛	10¾	11	125
16.217,500	10,000,000		3,822,410	6	6	4	2	1st June	q. 1	9.09	Brazilian Traction L. and P.	92	53½	59¾	45	62⅝	43	47¾	Jan. 2	37	Apr. 20	58¾	58	40⅛	40	40½	39¾	10⅛	1.355
				3	6	6	3	1st Apr.	q. 1½	.....	Brazilian Traction, Pref.																		
12.000,000		9,766,740	108,080								Canada Steamships Lines, Com			20	6	45	16	45½	June 21	29¾	Feb. 3	25	24¾	43⅛	43⅛	43⅜	42¾	43¾	1.359
	12,500,000				3½	6	3½	30th June	q 1¾	7.86	" " " Pref			76½	59	95½	89¾	93¾	Jan. 29	76¼	June 12	82	81½	81¼	80¼	81⅛	80	81⅛	954
260,000,000	80.681.921	234.684.062	208,492,641	7+3	7+3	10	7½	1st July	q. 2½	6.28	Canadian Pacific Railway	219⅝	171½	195½	139¾	182½	163¾	166½	Mar. 23	149½	Feb. 8	179				167½	159¾	159¾	45
								15th May	q. 1	5.28	Civic Investment					83¾	79	82¾	Jan. 2	73⅞	June 29	100½	99½	76	75½	76¼	75⅞	76	543
12,500,000		33.485,135	7,767.986	6	6	6	3¼	1st June	q. 1¼	6.51	Detroit United	73¾	55	73	62	128½	69	128	Jan. 3	107	July 5	118	117		106	107½	106½	107	897
3.500,000	1,500.000	3,262.000	339,156	4½	4	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com	67	55	60	55	49	37	51⅛	Mar. 7	43	Jan. 8	47	46	45	43	43½	43	43⅛	20
1,400,000		600,000	921,736	8	8	8	6	2nd July	q. 2	5.00	Halifax Electric. pref.	*160	*160			160	160						160½						
12.251,400	7.135,500	810,000	1.700,607	2¼	3	3	1½	15th May	q. ¾	.....	Illinois Traction, Com.											61							
				6	6	6	4½	2nd July	q. 1½	7.05	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	83	May 21	91		84	84	84	84	84	265
25.000,000											Mexico North Western Railway																		
20,000,000		16.381 333		7				1st Nov.'13	q. 1¾	.....	Mexico Tramways Co.																		
25,206,000	12,603,400	[illegible].511,450	14,750,595	7	7	7	3½	15th Apr.	s. 3½	5.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½														
2.963 970		32,771.487	1.264,166	10	10	10	5	1st May	q. 2½	6 94	Montreal Tramways	230	190	220	220			181	Jan. 5	175	Feb. 19	190							
9,000.000	3,481,600	12.022,000	1,704,720	5	5	5	2½	15th June	q. 1¼	6.84	Northern Ohio Traction			73	73														
3,000.000	1,000.000	4,017.667	49,922	4	3			1st July '14	p. 1	10.53	Porto Rico Railways Co., Com	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3	48	45						
				7	7	7	5¼	3rd July	q 1¾	....	" " " " Pref	103½	101			30							29⅞						
9,999.500		10.797,000	347,499					15th Jan.'12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9½	45	14	35½	Jan. 2	18	June 28	31	30½	20	18	19	18	18	420
966,400			393,791	8	8	10+2	.....	1st Jan.	a. 8	.....	St. Law. & Chi. Steam Nav. Co.	110	*99	130	100							185	184⅛						
12,000,000		3.482.067	5,841.738	8	8	8	6	3rd July	q 2	10.66	Toronto Railway	144¾	110	117½	111	111	72	90½	Mar. 12	74	June 26	97⅜		75	74	75¼	73	75¼	477
9,000.000	3,000,000	12,305,000	535,065	6	6	6	3	1st July	q. 1½	6 74	Tri-City, preferred			89	89														
22.000,000	3.000,000	20.263.000	6,919.635	6	6	6	4½	2nd July	q 1½	7.07	Twin City, common	108½	99¾	101	93	101	93⅜	95	Jan. 3	84	July 3	98	97	85		85⅛	85	85	144
9.000.000		12,021,196	2..028288	12	12	12	10¼	1st Jan.	q. 2	16.00	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	45	June 11	100	98½						

TELEGRAPH, LIGHT AND POWER UTILITIES

18,000,000		11.149.000	1,249,135	8	8	8	6	15th Apr.	q. 2	5.79	Bell Telephone	159¼	140¼	159	140	152	140	150	Feb. 5	138½	July 5	153	150		138	139	138	138	51
4,882,000			3.234,018	10	10	10	5	2nd July	q. 2½	6.64	Consumers Gas	180	169	185	176	176	160	165½	May 10	150½	July 3	170	168½	150		150	150	150	60
1.850,000		2,999,813	271.975								Calgary Power	59	53																
41.380,400			1,355,899	5	5	5	3¾	2nd July	q. 1¼	7.25	Mackay, common	88	75	84½	71	87	78	90	Feb. 17	81¾	May 12		82½	82½	82¼	82⅞	82¼	82¼	424
	50,000,000			4	4	4	2	2nd July	q. 1	6.20	" preferred	71	65½	70¼	65	69¼	64½	68	Jan. 16	64	June 13	68½	68	65¼	64½	64¾	64½	64¾	16
13.585,000		21,073,833	318,522	4	p	p	p	15th Jan '14	q. 1	.....	Mexican Light and Power Co., com	49⅞	32½	46	46	15	15					46	46						
	6.000.000			7	p	p	p	1st Nov. '13	s. 3½	.....	" " " pref																		
18,778 266		10,152,000	5,742,273	9½	10	10	8	15th May	q. 2½	4.73	Montreal Power	230	211	241¾	211	249¼	218					234	232½						
3,483,520		1,275,000	765,296	10	8	6½	4½	2nd July	q. 1¼	7.50	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¼	92	92	Jan. 17	80	May 26		100						
13,612,500		10.012 762	2 5[illegible]7 928	6	6	6	7¼	10th July	q. 1¾	5.88	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	119¼	June 29		131	121	119½	121	119¾	119¾	16

INDUSTRIALS AND MISCELLANEOUS

3,5[illegible],000		960,000	203.236								Ames Holden McCready Co., com	16	6	23	7⅞	35	19½	23¾	Jan. 3	16	Feb. 22	25							
	2.500,000			7	5¼			1st July '14	q. 1¾	14.00	" " pref	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	56	52		49	49	49	49	25
1 88,900			1,591,599	7	7	7	3½	21st May	s. 3½	8.75	British Col. Packers, com							43	June 2				105						
	357,500			7	7	7	2	21st May	s. 2	6.19	" " pref	143½	111	124	105	147½	58						113						
750.000			336,266	6	5½	4	2	2nd July	q. 1	5.06	F. N. Burt Company, com	88	67	72½	70	88	72	85	Feb. 23	78	Jan. 31	83							
	1.975.200			7	7	7	3½	2nd July	q. 1¾	7.77	" pref	100	89	75	89	96	86	93½	Mar. 5	89	Feb. 15		93	90	88¼	88¾	88¼	88¾	50
2,500,000	1.250,000	1,209,300	234,164								Canada Bread, com	33	18½	31½	29	30	16½	17	Feb. 6	15	May 19	22½	21	15½		15	15	15	100
				7	7	7	5¾	2nd July	q. 1¾	8.23	" " pref	92	89½	90¼	90	90	87	86½	Jan. 5	85	Mar. 5	88	86½						
1,177.500	602,450	301.750	151,553								Carriage Factories, com											64⅞	64½						
13,500,000		7,448,680	2,675,233					16th May	q. 1¾	11.66	Canada Cement, com	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1	62⅜	61	62	60½	61	60	61	265
	10.500,000			7	7	7	3½	16th May	q. 3	12.97	" " pref	93	98½	98½	89¾	98	86	95¾	Jan. 6	90	Feb. 3	94	93	93	92	92½	91½	92	69
3,975.000		9.072,698	1.573,798	4	2			2nd June '14	s. 2d	13 33	Canadian Car and Foundry, com	70	48	120	50	75	32	46½	Jan. 4	25¼	Jan. 19	67½	66	32½	31½	32½	32	32¼	200
	7,000,000			7	5¼			1st Apr. '16	q. 1¾	9.72	" " " pref	109½	98	127	98	94	61¼	89	Jan. 3	59	Jan. 19	86	84	70½	69½	71½	70	71½	75
1,733,500		399.000	202,290	4	4	1	1	15th May	q. ½	5.00	Canadian Converters	40	34	34	34	46	34	41½	Mar. 19	39	Feb. 21			43	42	43	41¾	43	335
2,715,500		4,811,000	1,437,926	6	6	6	.....	4th July	q. 1	7.84	Canadian Cottons, Limited com.	39	24	40	24	65	39	56	Jan. 3	51	Feb. 5	49½	48						
	3 661,500						14½	4th Ju'y	q. 1½	7.59	Canadian Cottons, Limited, pref	79	70½	77	71	82½	75½	82	Jan. 1	76½	Apr 2	79¾			79	79½	79	79	50
1,600 000	1,500,000		697,836	6	6	6	3	15th Dec.	s. 3	.....	Canadian Fairbanks-Morse, pref.	92	92	95	95														
960,000		151,900	895,316			10	12	15th May	q. 3	8.00	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28								
	960,000			7		7+3½	7	15th May	q. 1¾	.....	" " " pref					90	85	84	May 28										
2,000,000	1,500,000	1.545,000	142.807								Canadian Locomotive Co., com	45	30	64½	30	64½	51	64	Apr. 12	52½	Feb. 3	61		62½	60	62	57	62	302
				7	7	7	5¾	1st July	q. 1¾	8.18	" " " pref	*90¼	85	90	78	90	81	91½	Apr. 11	84	Feb. 8		87	90	89	89½	87	87	135
2,805,500		5.097,000	2,862,397	4	4			15th Oct. '14	q. 1	4.44	Can. Consolidated Rubber, com	91	91	91	91	91	84	97½	Jan. 30	90	Mar. 22	105	95						
	3,000,000			7	8¾	7	5¼	30th June	q. 1¾	7.21	" " " pref	*97	96½	101	100	97	91	97	July 3	95	Mar. 22								
8,000,000		1,367.751	3.707.119	7	7	7	5¼	2nd July	q. 1¾	6.82	Canadian General Electric, com	114⅞	90¼	128	90¼	121	108	115½	Jan. 24	102¼	July 3	116	114	103½	102	103	100¼	103	350
	2,000,000			7+1	7	7	3½	1st Apr.	s. 3½	6 66	" " " pref			110½	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200.000		500,000	353,391								Carriage Factories. Limited, com			53½	35½	44	29¾	25	Jan. 13	9¼	June 18	42½	42		9½	9½	9½	9½	26
	1,200,000					½	.....	15th July '15	q. 1¾	10.00	" " " pref			81	75	75	60						98						
565000		65.918	96,889	7	8	8	6	3rd July	q. 2	7.09	City Dairy, com	102	98	100	98	98	89	30	Mar. 30										
	700,000			7	7	7	5¼	3rd July	q. 1¾	7.21	" " pref.	101¾	98	102	98	100½	92	70	Apr 3			100							
6 500,000			749,100	8	7¼	5¾+3	4	15th May	q. 2	6.15	Dominion Bridge Co	122¼	107	230	107	231½	160	170	Jan. 4	125	June 23				128	127	127	127	55
2 752,200		1,878,000	180,813	6	3	1p	p	1st Apr. '14	q. 1½	.....	Dominion Canners, com	68⅝	27½	35	31	22	15	26	Mar. 6	19	Jan. 3	18	12						
	2.290,600			7	7	7	1¾p	1st Apr. '15	q. 1¾	9.83	" " pref	96	80			65	61½	78	Feb. 7	65	Feb. 3	63	58						
32,097,700	7,000,000	25.669.076	6,784,844	4	1	p	p	2nd July	q. 1	6.55	Dominion Steel Corporation, com	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	52¼	52⅛	60⅛	60	60½	59⅝	60½	885
	5,000,000	14 286 106		7	3½p	p	7	1st Apr.	q. 3½	.....	Dominion Iron and Steel, pref.	*94	68	96	71	105	90	95	Jan. 3	89	May 28	105		92	91¾	92	92	92	55
15000,000	3,000,000	6.482.500		7	7	7	3½	1st Feb.	s. 3½	7.44	Dominion Coal, pref	106	97½	101	98	99	93	96¾	Jan. 22	88	May 18	98				94½	85	94½	8
5,000,000		3,697.775	881,926	6	6	6	4½	3rd July	q. 1½	7.18	Dominion Textile, com	86⅛	60	77	61	90½	74½	89	May 25	76½	Feb. 3		102	84	83½	84	83	83¾	53
	25,975			7	7	7	5¼	3rd July	q. 1¾	7.03	" " pref	106½	100	103	101	105	101	105	Apr. 26	99½	July 5				100	101	99½	100	10
1,750,500		1,200,000	331.136								Goodwins, Limited, com	28	*23	28	26	40	40					40	39⅞						
	1,250,000			7	7	5¼d	.....	25th July '14	q. 1¾	.....	" " pref	*82	74			75	40	45	Mar. 20			75							
747,500		285,000	799,367	6	6	6	3	1st July	q. 1½	6.00	Goulds Manufacturing Co., com	97¾	97¼					100	Apr. 19										
	747,500			7	7	7	6	1st July	q. 1¾	....	" " " pref																		
40,000.000		8,643,000	25.072								Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞														
2,100 000		900,000	935,994	10	8	8	4	1st June	q. 2	6.29	Lake of Woods Milling Co., com	135	127	137	129	136¼	122	130	Jan. 2	124	Apr. 13	129	129	127		126	125	125	35
	1,500,000			7	7	7	3½	1st June	q. 1¾	6 03	" " " pref	120	120	122	120	129	116	116	Jan. 31			120							
9,600,000		753,807	701.624	8	8	8	6	3rd July	q. 2½	5.88	Laurentide	192¾	160	198	160	217½	176	195	Jan. 5	170	June 29	182	180	175	170	171	170	170	165
1,750,000		1,130,500	82,830		2						Lyall Construction Co., com					93	25	80	Mar. 21	64	Jan. 25								
	1,300,000										" " pref																		
3,000.000	1,766,800	200,000	247,710								A. Macdonald Co. com.	21¾	8	14	7	19½	10	15½	Mar. 12	8	Jan. 5	14	11	14¾		13½	13½	13½	25
2,500,000			1,034 [illegible]				6	18th Apr.	q. 2¼	8.60	Maple Leaf Milling, com	47⅜	25	68	30½	122	100	115	Mar. 21	90	Feb. 3	89½	88	105	101	106	103½	103½	187
	2,500,000			7	7	7	5¼	18th Apr.	q. 1¾	7.40	" " " pref	101	98	98	88	108	93	103	Feb. 10	92	May 15	95	94½	93	92	93	92½	92½	2
2,949,600		856,664	2.170,170	4	4	4	2	15th June	q. 1	7.84	Montreal Cottons, Ltd., com.	58	56	56	51	63	50	58½	Jan. 4	49	June 11			55	51	51	51	51	10
	3,000,000			7	7	7	3½	15th June	q. 1¾	7 00	" " " pref	103	97¼	100½	99	115	99	103	Jan. 24	100	June 20								
1,275,000			194,889	6				1st Nov.'13	q. 1½	15.00	Monarch Knitting Co., com	40	25	27	25	40	25½	40	Jan. 2	35	Jan. 3		32	40	35	35	35	35	6
	750,000			7	7	7	3½	1st May	q. 1¾	8.75	" " pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2		82						
6,000,00		9,833,309	2,110.609	6	4½			15th July '14	q. 1½	6.15	Nova Scotia Steel, com	79	39	107	45¾	154½	93¼	128	Jan. 4	88	Apr. 25	123	122	96½	95½	97½	95½	96	1,250
	1,030.000			8	6	12	2	14th July	q. 2 p	7.61	" " " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25	113	112		105	105	103	105	5
2,500,000		2,350,000	512,061	8	8	8	6	2nd July	q. 2	5.55	Ogilvie Flour, com	123	107	144	107	152	127⅞	145	May 1	137	Feb. 27		131	144½	144	145	144	144	315
	2,000,000			7	7	7	3½	1st June	q. 1¾	6.25	" " pref.	117	105	120	113	116	44½	115	Jan. 19	110½	May 23	113	120	112¼		112½	112½	112½	10
750,000		600,000	78,039								Ont. Steel Products, com					45	19	34	Jan. 4	18	Mar. 16	133	128	26	23	24	24	24	90
	750,000					3	7	15th May	q. 1¾	9.09	" " " pref					91½	73	74	Asr. 14										
650,000			42,472	2	2	2	2	2nd July	s. 1	5.13	Pacific-Burt Co., com	32	*28	31	28	29	20	40	Mar. 20	28	Jan. 9	25	23						
	650,000			7	7	7	2½	2nd July	q. 1¾	8.64	" " pref	85	82½	85	80	83¾	77½	82	June 8	80	Jan. 3		80	81	80¼	81	80½	80¼	33
2,150,600		2,000,000	1.719.899	4	4	4	2	15th May	q. 1	5.63	Penmans, Limited, com	55½	48	62	49	78	60	73½	Mar. 26	69	May 3	62½	62	72	71	72	71	72	67
	1,075,000			6	6	6	3	1st May	q. 1½	7.22	" " pref	84¼	79½	83	82	90	82	86	Apr. 10	81½	Jan. 30		82						
5,000,000		5 804,862	2 100,240								Price Bros	60	70			132	60½	120	Jan. 5	115	Mar. 30	74							
4,500,000	1,000,000	1,533,000	375 634	7	7	7	3½	30th June	q. 1¾	5.54	Riordan Pulp and Paper, com					150	59	127	Jan. 3	106	Feb. 3			123	122	124	121¼	121¼	131
1,500,000			688.499	12	12	8	6	2nd July	q. 1½	9.23	William A. Rogers, Ltd., com	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19								
	900,000			7	7	7	7	2nd July	q. 1¾	7.77	" " " pref	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14		94						
800,000			Def. 703,364	1¾				1st Feb.'13	q. 1¾	10.00	Russell Motor Car, com	20	5	50	10	114	32	92	Jan. 4	70	Feb. 3	61	60						
	1,200,000			5¾				1st Aug.'13	q. 1¾	6.60	" " " pref	49	25	76	25	139	66	122	Apr. 3	100	Jan. 15	95	92						
1.500.000		691,200	39,245								Sawyer-Massey Co., com	30	25	33	25	30	20	24	Mar. 16	8	May 21	20							
	1,500,000			7	3½			2nd June '14	q. 1¾	7.78	" " pref	88	69	76	69	134½	58					74							
4,000,000		1,950,000	1,080.988								Sherwin-Williams, com	60¼	53	57½	55	99½	53½	59¾	Mar. 9	56	Feb. 5	55							
0	3,000,000			7	7	7	3½	30th June	q. 1¾	5.38	" " pref	104	97	100	98¼	100	97½	100	Jan. 6	98	Jan. 11	99	98		99	99	99	99	10
8,750,00			450,597	6	6	6	4½	2nd July	q. 1½	4.58	Shredded Wheat, com	90¾	.78	102	92	140½	102¼	137¾	Mar. 1	130	June 1	125	124						
	1,250,000			6	6	6	4½	1st July	q. 1½	6 25	" " pref	*94	*92½	99	93	120	95	95	Feb.19	95	Feb. 19		100						
1,718,600			417,716	5	2½p			2nd July	q. 1¾	10.00	Smart-Woods, Ltd., com	20	18	15	20	65	33	55	Jan. 12	48	May 25	41			44	45	45	45	50
	1,547,000			7	5¼p		5¼	2nd July	q. 1¾	8.75	" " " pref			45	20	101	84	80	May 9			90							
8,000,000		5,332,113	226,860								Spanish River Pulp Mills, com	16¾	9	9⅝	3	24¼	3½	19	Jan. 4	13	Feb. 2	8½	8	14½	13	14	14	14	5
	5,699,100			3½P				15th July'13	q. 1¾	14.00	" " " pref	*51	31	35	35	70	29	59¼	Jan. 11	50	May 5	32							
11,500,000		10,050,000	4,272,453					10th May	q. 1x½	.....	Steel Co. of Canada, com	20	11	48	8½	88¼	34¼	71½	Jan. 4	52	Feb. 3	53¼	53	57	56½	58	56½	56½	631
	6,496,300			7	3½p	7	5¼	10th May	q. 1¾	7.60	" " " pref	87¾	69	95	69	107¼	82½	100½	Jan. 2	90	June 5	90¾	91	91	90	92	89¼	89¼	18
650,000											Tooke Bros., com	26	15	18	16	25	16					22							
	985,000		71,518	7	7	3⅛	1¾p	31st May	q 1¾	9.72	" " pref	81	75			83	78	79	Jan. 4	72	June 12								
750,000		500,000	120,673	1.88	6¾	1½p	.....	2nd July	s. 2	4.52	Toronto Paper Co	61	30	45	25	96	44	90	May 17	72	Jan. 16	50	44						
2,500,000			218,962								Tuckett Tobacco, com	47	29	29¼	29	25	23½	22½	Jan. 18	19	June 1	29	23						
	2,000,000			7	7	7	5¼	14th July	q 1¾	8.97	" " pref,	101	90¼	90	90	90	75	83½	Jan. 18	78	Apr. 30		86						
5,000,000		3,500,000	691,225								Wayagamack com	32⅜	21	26½	26			95	Jan. 11	67	May 29								

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—in dicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1 205,000	4.122,853	1,244,392	9	1st Jan.	q. 2½	Canada Landed	162	157½	163	157½		159	159⅛
6.000 000	20,905 085	5,195,652	10	15th Mar.	q. 2½	Canada Permanent	188	183	183	168⅝		167½	167½
1,750,000	6.225.008	1,773,242	10	15th Mar.	q. 2½	Central Canada	190	190			190		
2,462,867	725.667	403,966	6	31st Dec.	s. 3	Col. Investment, pref.	83	78	76	70		75	77
934,395	1,062,481	240,929	5	2nd July'15	s 2½	Dominion Savings	81	81	80	80		81	78
2,410,925	2,458,069	685,002	8	2nd July '15	s. 4½	Great West Per							89½
1,200,000	2.598,876	1,614,033	8	31st Dec.	s. 4	Hamilton Provident	140½	135	140	138		141	141
2 458,416	11.516,497	2,940,662	12	31st Dec.	q. 3	Huron and Erie	211	209	214	209		209	208½
978,900	1,914.683	728,163	8	31st Dec.	s. 4	Landed Banking	147	147	145	144		145	147
1,250,000	3,112,314	748,734	8	15th Mar.	q. 2	London and Can. Loan	136	131	135	132		134	130
882,889	1,761.804	341.690	1½+8	15th Mar.	q. 1½	London Loan and Sav							
600,000	275.170	705,277	10	15th Mar.	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
1,500,000	6,986,833	1,573.560	10	31st Mar.	q. 2½	National Trust	233	233	210	210	223		210
1.750,000	4,457 590	1.800,012	9	31st Dec.	q. 2¼	Ont. Loan and Deb	173	179	175	169		175	160
500 000	655,690	226.408	7	31st Dec.	s. 3½	Real Estate Loan							108
1,500,000	32,104,288	1,848,813	10	31st Dec.	q 2½	Toronto Gen. Trusts	210	291½	212	205½		207	207
724,550	88719 25	527.834	8	31st Cec.	q. 2	Toronto Mortgage Co	138	138	140	134		140	140
,000,000	1.344,920	937.661	5	1st Mar.	q. 2½	Toronto Savings							185
,000,000	7,00,1000	991,336	10	30th Dec.	q. 2½	Union Trust							178
,000 000		5 946.27	4	1st Ap. r	s. 4	Canada Life Assurance							193

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstrnding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1.500,000		1,894,479	5	1st Oct	s. 5	Canadian N. Prairie Lands						
800,000	300,000	395,959		1st Oct. '15	q. 2	Canadian Salt	115	110	140	124	135	120
59,133		1,752,420	5	13th Mar.	5	Can North-West Land						
		2,390.163	20	30th Dec.	q. 5	Confederation Life A.			350	330	335	320
6,212.667		531,499	6	1st June	1½	Crows Nest Pass Coal	100	100	83	71	80	
1,000.000		291,961	6	15th Jan.	q. 1½	Dominion Telegraph			90	86		90
3,000,000	3,984.500	77.642				Electrical Dev., pref						
450,000	p2.909.000	1,458,082	10	1st Jan.	q. 2½	Imperial Life Assur						
500.000	b 232.000		p	1st Mar.'12	s.2	Intercolonial Coal						
	p 219,700	797,531	p	1st Mar.'12	s.3½	Intercolonial Coal, pref						
3.000.000		513,930		1st Mar. '14	1	Intern. Coal and Coke						
2,196.000	2,000,000	421,140	6	15th Jan.	q. 1½	Kaministiquia Power						
556,000	b 666.000	109.976	8	3rd Jan.	s. 3	London Street						
2.000,000		118,225	8	3rd Jan.	q. 2	Montreal Telegraph			136	135		135
925,000	b1,123,000	248.379				Nia., St. Kath. and Tor						
1,000.000	b1,250,000	176.188				Saint John Ry						
1 164,000	b 756,500	199,996		10th July'15	q.1¼	Trinidad Electric	105	100				
2.124,700	1,598.057	575,484	8	15th Dec.	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600.000	541,374	5	1st Jan.	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

REPORT SHOWS ALABAMA POWER FORGING AHEAD

Net Operating Revenue Shows a Substantial Gain.

PAID FIXED CHARGES

Southern Hydro-Development Company Makes a Satisfactory Showing—New Fields for Consumption Being Developed.

The financial statement of the Alabama Traction, Light, Heat and Power Company, for the fiscal year ending 1916, shows net income for the year of $85,708, before providing for depreciation of plant, equipment, etc. The total operating revenue of the company for the year was $1,471,433, as compared with $1,014,345 for the previous year. For the first time since the organization of the company, four years ago, it paid its fixed charges, which amounted to $794,896. The net operating income of the company for the year was $837,190, as compared with $569,604 for the year ending 1915.

The current and working assets of the company have increased from $753,674 at the close of 1915 to $1,881,504. The cash on hand has, however, decreased to $92,111 from $299,603 at the close of the previous year. This is due no doubt to the large advances which have been made to the Anniston Steel Company, which is a corporation owned entirely by the Power Company. These advances are shown in the balance sheet as amounting to $724,969. In the report of the president it is explained that a large part of these advances is represented by stocks of scrap iron, acquired at much below present prices, electrodes, refractories, and also manufactured ingot, billet and bar steel, for which there has been a ready demand at constantly increasing prices. The steel subsidiary has firm orders at satisfactory prices, secured by irrevocable banking credits, for its entire output for several months ahead, and has ceased for the present to accept further orders.

The current liabilities have also increased, advancing from $511,907 in 1915 to $1,254,649. The dividends in arrears on the cumulative preferred stock amount to $120,000.

Developing New Fields.

"The engineers of the company," explains the president, James Mitchell, in his report, "have devoted considerable study to various projects for the utilization of the large amount of power represented by the surplus water which runs to waste over the dam. With a view to utilizing this power the company has established at Anniston a battery of electric furnaces, which are completed and in operation for the purpose of making electrically refined steel and other electro-metallurgical and electro-chemical products. As a result of the work so far done the board believes that this new field of power consumption will eventually become one of the most important branches of the company's power market."

BETTER OUTLOOK FOR CAPITAL IN UNTIED STATES.

Continued from page 1

$4,000 or $5,000. This would appear to be high as it exempts a large number of people who might well be able to pay their share. At the same time it is pointed out that municipal and provincial taxes on this class are already heavy.

Business Conditions.

Tight money is having some effect upon business in curtailing credits but in this respect there ist no great evil being done. Collections are closer and supplies are not being sent out on long credits. Thus the tendency is to turn over ready capital more rapidly and to make the best use of liquid assets. So far as trade is concerned reports continue generally favorable. The movement in goods is satisfactory, considering the conditions. Difficulties continue as to securing supplies and the upward tendency of commodity prices is still in evidence. Labor is scarce and is demanding a high return.

The Balance of Trade.

The trade report for the month of May shows a very satisfactory balance of trade in Canada's favor. However, returns for the twelve months indicate that our imports are increasing much more rapidly than our exports—a reflection of extravagance in relation to foreign goods which does not appear to be very healthy under war conditions.

Merchandise imports increased from $436,139,167 for the year ending 1915 to $564,846,555 for the year ending 1916 but took a big jump to $919,889,449 in the year ending May 1917. On the other hand the increase in exports was about the same in each year, the figures being $484,833,579 in 1915, $866,890,174 in 1916 and $1,246,713,264 in 1917.

EASTERN INVESTMENT AND LAND COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 26th day of June, 1917, incorporating Gerald Ruel and Reginald Herbert Montague Temple, barristers-at-law, George Norman Limpricht, draughtsman, Frederick Charles Allen, solicitor's clerk, and William Bowler, secretary, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, exchange, concession or otherwise, city lots, farm lands, mining or fruit lands, town sites, grazing and timber lands, and any description of real estate and real property or any interest and rights therein, legal or equitable, or otherwise howsoever; to take, build upon, hold, own, maintain, work, develop, sell, lease, exchange, improve and otherwise deal in and dispose of such lots, lands, sites, real estate and real property or any interest therein; to deal with any portion of the lands and property so acquired, subdividing the same into building lots, streets, lanes, squares and sites for residential, business, manufacturing or other purposes whatsoever, with power to construct and pave highways, streets and sidewalks thereon, and to construct and furnish facilities for sewerage and drainage, water, light, heat and other municipal requisites, and to build upon any lands for residential, business, manufacturing or other purposes whatsoever and to supply such buildings with all necessary facilities, plant and machinery, to equip them for the purposes for which they are intended; (b) To build, purchase, lease or otherwise acquire, manage or control, at such points or places along any line of railway or branch line of railway, or at any ports or places of call of any steamship lines, such buildings as it deems advisable for hotels and restaurants; and to carry on any business in connection therewith, and afford such facilities as may tend to the comfort and convenience of the travelling public; and may let any such building for such purposes; (c) To purchase, lease and hold lands required for, and lay out, establish and manage parks and pleasure grounds, and give a lease thereof to, or contract with, any person for the use thereof upon such terms as the company deems expedient; (d) To act as agents for the sale and purchase of real estate and all interests therein and for reward to procure real estate investments for any person; to act as selling agents for the owners of any real estate, sub-division, building sites, town sites or lands of any kind or any interest therein, and to take over and acquire from any person or corporation any agency, inclusive or otherwise, for the sale of any such lands, sites or interest therein, and to accept an assignment of and perform any contracts made by any person with any other person or corporation for the sale of any such lands, sites or interest therein as agents or otherwise, and generally to act as real estate, house and rental agents; (e) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (f) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant, stock-in-trade; (g) To construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (h) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (j) To procure the company to be registered and recognized in any foreign country and to designate persons therein according to the laws of such foreign country to represent this company and to accept service for and on behalf of the company of any process or suit; (k) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, bonds, debentures or other securities belonging to the company or which the company may have power to dispose of; (l) To issue in payment or part payment for any property, rights or privileges acquired by the company or for any guarantees of the company's securities, or for services rendered, shares of the company's capital stock, whether subscribed for or not, as fully paid up and non-assessable, or the company's securities; (m) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (n) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (o) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (p) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (q) To raise and assist in raising money for, and to aid, by way of bonus, loan, promise, endorsement, guarantee of bonds, debentures or other securities or otherwise, any other company or corporation and to guarantee the performance of contracts by any such company, corporation, or by any other person or persons with whom the company may have business relations; (r) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Eastern Investment and Land Company, Limited," with a capital stock of forty thousand dollars, divided into 400 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 27th day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

DANGER SIGNALS TO BE AVOIDED IN THE FUTURE

Canada's Industrial and Agricultural Problems After War.

SOME CIVIL WAR LESSONS

Colonel Dennis, Whose Views Usually Coincide With Those of Lord Shaughnessy, Discusses Conditions Canada Must Face.

In telling the people of the United States of Canada's war time prosperity, which he describes as being almost unbelievable to the outside world, and in connection with which he submits figures to show phenomenal changes as regards our balance of trade, Colonel J. S. Dennis, formerly assistant to Lord Shaughnessy, president of the Canadian Pacific, and now Chief Commissioner of the Development Department of the some company, sounds a note of warning as regards the industrial and agricultural future of the country if certain danger signals are not recognized and proper steps taken to avoid evils which may be expected to develop. After referring to the increase in our bank deposits, remarkable growth of export trade, phenomenal value of agricultural products, and other evidences of material prosperity, Colonel Dennis effectively refers to the future, its prospects and its possibilities, while paralleling the conditions referred to, and others, with those which prevailed during a somewhat similar period in the Northern States during the Civil War. He acknowledges the seriousness of the situation for this country in the post-bellum period and emphasizes the necessity for reorganizing production on a sound and economic basis after the great munitions plants have fulfilled their function and for increasing agricultural production.

Following are, in the main, the views of Colonel Dennis; they should be read by all those interested in industry and agriculture in Canada during the post-war period.

What of the period after the war? Will this prosperity last? Will Canada at the close of the war be able to maintain the big balance of trade in her favor which is now being piled up at the rate of half a billion dollars per year? When the demand for munitions ceases, will we be able to transfer all these factories to normal trade conditions and still hold this war time prosperity?

Accepting the possibility that the war will continue for another year or more, it is time we were evolving some plan to care for these after the war conditions. But to plan is not enough. We must act. That Canada faces a serious situation in this approaching post-bellum period is indicated by the history of the Civil War in the United States, where conditions in the northern States were quite similar in many respects to those which now prevail in Canada.

From 1862 on to the close of the war, the Northern states showed prosperity on every hand. The raiding parties from the Confederate Army breaking through into Pennsylvania carried back to the half-starved South stories that Northern industries were going ahead as if the nation was running upon a well organized peace schedule, instead of being engaged in a momentous civil war. The Chicago *Tribune* near the close of the war said "commerce, business, manufactures and labor are going ahead as in a profound peace, save with more impetus and whirling activity than peace ever knew." The New York *Economist*, however, pointed out that much of the apparent prosperity was fictitious. It declared that the laboring people were suffering because of war conditions, because wages had increased only about 12 per cent., while the cost of living had more than doubled.

Professor Roland P. Falkner, a recognized statistical authority of that day, presented two important conclusions after a careful study of civil war condition: "During the war period the advance in wages was not commensurate with the advance in prices." The late Nelson W. Aldrich, the great economist of the United States Senate reviewed the apparent prosperity during and after the Civil War in the following: "Money wages responded with unmistakable slowness to the inflating influences of the Civil War. In 1865, when prices stood at 217 as compared with 100 in 1860, wages had only touched 143."

Recruiting and Labor.

We also find that the demand for labor was the greatest in the history of the States up to that period. The extensive recruiting from the farms and farming districts, and the extraordinary demands of the munition plants brought a shortage of labor everywhere. During the last two years of the Civil War, many of the farms in the central western states remained idle, because it was impossible to secure help. From 1863 to 1865, immigration from Europe to the United States increased at a rapid rate, yet the demand for laborers was so great that Congress saw fit to enact laws to still further increase this immigration.

According to Rhodes' "History of the United States," it was tradition in skilled labor circles that times were hard just before the war and began to be good during the Civil War. According to this authority the wage-earning mechanics bought lots and saved money during the war period, while the clerks, teachers and others on a salary basis suffered.

At the close of the war there was a rapid spread of enthusiasm for a continuation of the so-called war prosperity. New enterprises were launched on every hand, speculation was rife. The returning soldier farmers migrated in large parties to fertile valleys tributary to the Mississippi. The broadening of the agricultural situation brought a demand for more rail mileage, and something more than 15,000 miles were constructed in the West from 1865 to 1873. This work brought employment to thousands. The first annual report of the Commissioner of Labor, published in 1886, reviews this construction period, as follows:

"The stimulation to all industries resulting from the war, the speculative enterprises undertaken, the extension of credits, and the slackening of production necessarily caused a reaction; but the period was hardly spoken of by business men as one of any particular hardship. People for a while began to be conservative, but the impetus engendered by the war could not be overcome and it was not until the crash of 1873 that the effects of undue excitement in all branches of business and trade were thoroughly realized."

Danger Signals in Canada.

Comparing these Civil War conditions with those prevailing in Canada, we see many danger signals. The most important of these is the necessity for reorganizing production on a sound and economic basis after our great munition plants have fulfilled their function, and for increasing our agricultural production.

We take price in the large agricultural production in Canada, yet it is startling the great quantities of farm products we purchase every year from the United States. The imports for 1913 show that we bought 6,000,000 dozen more eggs than we sold the Americans, and that we consumed a quarter of a million pounds of butter made across the line and sold them practically nothing. We purchased 300,000 pounds more cheese from our neighbors to the South than we sold them, and we paid $100,000 in duty upon $1,000,000 worth of tomatoes grown in the States. We even bought 500,000 bushels of potatoes more than we sold.

Canada ought to produce all this farm produce within her own borders and have a balance for sale in the world markets.

It is estimated that some 200,000 workers are now employed upon munitions, and that 75 per cent. of this number will require different employment after the war. We will have some 200,000 soldiers returning to our shores after the war, of which number, it is estimated, we will be called upon to find employment for fully 150,000. In addition, there will be, quite probably, a flood of immigration to add to the labor market.

A practical scheme for reorganizing our manufacturing production should embrace a plan to induce American manufacturers to build branch plants in Canada. We must make a study of the market possibilities which our manufacturers will have at home among the Entente nations after the war.

Record-Breaking Profits of Tooke Brothers.

Net Surplus Was Better Than 10 Per Cent. on the Preferred Stock.

Record-breaking profits were shown by the financial statement of Tooke Brothers, Limited, for the fiscal year which ended on May 31st last, which was submitted at the annual meeting held at Montreal on Thursday of this week. The net trading profits and the profits from other investments by the company amounted to $111,954, as compared with $109,400 for the year 1909-10, the best previous year in the company's history, and $26,306 for the year 1914-15. The net surplus, after deducting $14,000 for depreciation, bad debts, reserve and directors' fees, was $97,954, which is just a shade under 10 per cent. on the company's $985,000 preferred stock.

This splendid showing justified the directors in not only paying the regular 7 per cent. dividend on the preferred during the year, but in also paying 5¼ per cent. on account of the accumulated arrears. To do this, however, it was necessary to take from the profit and loss balance carried forward a year ago the sum of $22,707. The surplus earned by the company in the two years, 1915-16 and 1916-17, amounted to $177,689, whereas the dividends declared for the period only amounted to $137,809. The net amount added to the profit and loss account for the two years, therefore, was $39,791. At the end of May last this balance stood at $111,309, as compared with $71,518 two years ago.

The balance sheet of the company shows a very satisfactory position with current assets totalling $1,070,159, more than double the current liabilities of $471,622. The net working capital was, therefore, substantial at $598,537. Despite the distribution of 12¼ per cent. in dividends against only 1¾ per cent. in 1915-16, there was very little change in this respect during the year, net working capital a year ago having been $621,462. A comparison of earnings for three years shows that the net available for dividends in the past year was $18,219, or 23 per cent. higher than in 1915-16, and $81,648, or approximately 500 per cent. higher than in 1914-15. Profit and loss figures for the three years follow:

	1917.	1916.	1915.
Net profit	$111,954	$ 98,485	$26,306
Reserve, etc.	14,000	18,750	10,000
Balance	$ 97,954	$ 79,735	$16,306
Pref. div.	*68,950	17,237	....
Balance	$ 29,004	$ 62,498	$16,306
Prev. bal.	134,016	71,518	55,211
Total balance ...	$163,020	$134,016	$71,518
Div. arrears	**51,711		
Net balance	$111,309		

*Regular 7 per cent. for year.

**Payments of 5¼ per cent. on accumulated arrears.

Germany will issue 100,000,000 tenpfennig pieces, made of zinc, for the purpose of replacing nickel coins that are rapidly going out of circulation.

STILL MUDDLING THROUGH; WE ARE FIGHTING FOR OUR LIVES BECAUSE OF POOR LEADERSHIP

Continued from page 1.

and childish manner. To begin with, anybody who had time to inquire into the circumstances, and who was intensely interested in the condition of the greatest of the Entente Powers, would at once have directed all his attention to the danger-spot in Britain's armour, and he would have found that it lay in the fact that she was dependent for the life of her population upon sea power, and that sea power such as she possessed was overwhelming except it was assailed in a particular way; but that assailed in that particular way it might possibly, and even probably, be destroyed. England at the time had a petty Expeditionary Force, which used to be talked of as amounting to 150,000 men, but which clearly could not all be sent abroad at the very outbreak of hostilities. **Therefore, the first and the essential policy of Germany was to prevent the Expeditionary Force from leaving the British shores.** Mr. Churchill and Prince Louis of Battenberg took care that an overwhelming naval force was kept at sea while the question of peace or war at issue. It may be readily conceded, therefore, that it would have been rash on the part of the Kaiser's Government to attempt an invasion of England, or even to attempt a sudden attack of the British fleet by the Germans. Obviously, that being so, the true course for Germany was to direct, first in overwhelming might, an attack through Belgium and Northern France upon Calais.

If, instead of bothering with Paris, Germany had struck at once with all her ability against Calais she might have seized the port, and if she had done so it was quite upon the cards that she might shortly afterwards either have seized London or else utterly destroyed it.

In any case, a great German army closed the Straits against the British Fleet, and, consequently, communication by sea from London could be kept up only round the North of Scotland. The conditions of the problem were so plain that ordinary strategists expected that this would be the course, and, as a matter of fact, the readiness with which England took up the German challenge shows that she was afraid of an attack upon Calais and was bound to avert it if possible.

It has been the fashion of English military writers for a great many years to exaggerate out of all likeness to the original the capacity of the German Great General Staff. And the exaggeration goes on to-day, just as if the hollowness of the praise was not manifest to all the world. Germany had at her own disposal the power to choose whether she would make war or keep the peace; if the first, she could choose the moment for action; and, if that were done, what line of attack she would pursue. The cards were on the table, so far as she was concerned, for she could practically decide what her own course would be. Moreover, she had at the Russian Court an agent who kept her fully informed of everything the Czar's Government was intending and doing. Therefore, she was almost as well informed respecting Russia as she was respecting her own affairs, or those of Austria. Yet with all this absolute certainty, with all the time to prepare, and with her own choice of moment and occasion, she could not make up her mind whether she would direct her whole effort against Paris or against London, and, therefore, whether she would win or lose. As a consequence, she was stopped at the Marne and ignominously driven back; and when, too late, she took up the attack upon Calais, she was driven back from that likewise with equal ignominy. And yet, with all these facts staring us in the face, we are asked by presumptuous incompetents to believe that it is the greatest war the world has ever seen, and that we are fighting for our very lives.

If we are fighting for our very lives, it is simply because we choose to keep incompetents at the head of our affairs, and to waste all the resources that lie so plentifully to our hands.

Even now, with all the unmasking that has been effected ,we are expected to throw up our hats because this ridge or that height is stormed. We are told suspiciously little of the cost at which the gains have been made. But as good citizens we are expected to cheer, and declare that even Wellington himself could not have done better. It may be so. It is a great many years since Wellington was laid is the grave; and he would be a bold man, therefore, who would undertake to say what might have been.

But we will venture to assert that if we had a Napoleon we should not be engaged at nearly the end of three years in clearing ridges uncomfortably near to Calais.

It is easy, of course, to belittle reputations. We will not, therefore, engage in the amusement. **But we will remind our readers that we are governed by idle rich and professional persons who know no more about the actual practice of war than children, and that those idle rich and professional persons have been careful, time out of mind, to train us up in the belief that England has always muddled through, and always will.**

Securities Review

Continued from page 5

the outcome. Such a merger should mean better things for the International shareholders. Last sales were at 13 and last quotations 14.00-13.25.

INTERNATIONAL CEMENT.

The many Montreal shareholders of the International Portland Cement Company, of Spokane, Washington, are this week receiving a substantial indication of the steady improvement in the cement industry on the Pacific Coast, the company having placed its preferred stock on a regular 7 per cent. basis, by the declaration of a 3½ half-yearly dividend payable this week. Canadian shareholders have been largely identified with this company from the outset. It is controlled by the Irvin interests, who previously had built up the International Cement Company at Hull, generally regarded as one of the most successful in Canada. After the big Canadian merger was effected the Irvin interests formed the present company to operate at Spokane. From the outset steady progress was reported, notwithstanding the fact that the mill was completed only shortly before the outbreak of the European war, following which there was a general halting in building operations.

MACDONALD.

Without any particular market news Macdonald common again took a slump this week, reverting to 13½. During June the price moved up from 11 to 15, and for a time showed considerable stability at that figure.

STANDARD CHEMICAL.

Standard Chemical preferred sold this week up to 56, which showed an improvement of one point over the best which this stock has previously shown. At the end of June it touched 55 after a period of idleness. The only previous sale was at the end of April at 49. The affairs of the company continue to make a very satisfactory showing in the face of the general unsettledness in industrial circles.

SHERWIN-WILLIAMS.

The dip in Sherwin-Williams last week to 56 was, as might have been expected, considering the record of this stock, only a temporary affair, and the price soon reverted to 58. Late quotations were 58 asked and 56 offered. The first sale of the preferred since the latter part of May took place during the week at 99, showing no change.

THE W. T. C. BOYD COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 29th day of June, 1917, incorporating William Thornton Cust Boyd, lumber manufacturer; Eric Mossom Boyd, and Charles Edward Hollis Clement, accountants, of the Village of Bobcaygeon, in the Province of Ontario; Thomas Stewart, of the Town of Lindsay, in the said Province of Ontario, barrister-at-law, and Henry John Wickham, of the City of Toronto, in the said Province of Ontario, for the following purposes, viz.:—(a) To carry on a general business in the Province of British Columbia and elsewhere throughout the Dominion of Canada (as hereinafter mentioned) as dealer in timber lands, manufacturers of and dealers in all kinds of lumber, timber and wooden ware, including pulp and paper; (b) To engage in the building, construction and equipment of ships and vessels and all manufactures incidental thereto; (c) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (d) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The W. C. T. Boyd Company, Limited," with a capital stock of one hundred and fifty thousand dollars, divided into 1,500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 30th day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Northern Crown Bank

HEAD OFFICE, WINNIPEG

Capital (authorized) - $6,000,000
Capital (paid up) - - $1,431,200
Rest and Undivided Profits $848,554

DIRECTORS.

President, Capt. Wm. Robinson.
Vice-President, Jas. H. Ashdown.
W. R. Bawlf, A. McTavish Campbell,
Sir Douglas Cameron, K.C.M.G.,
E. F. Hutchings, John Stovel.

General Manager - Robert Campbell

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V. F. CRONYN,
Manager - - - - - Toronto Branch

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DIVIDENDS DECLARED.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND.

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th JUNE, 1917, payable JULY 16th, 1917, to shareholders of record June 30th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 25th June, 1917.

Nova Scotia Steel and Coal Co., Limited

DIVIDEND NOTICE.

A DIVIDEND of two per cent. on the Preferred shares of the Company for the quarter ending June 30th, 1917, has been declared payable on July 14th, 1917, to shareholders of record of June 30th, 1917.

By order of the Directors,
THOMAS GREEN,
Cashier.
New Glasgow, Nova Scotia,
June 28th, 1917.

Nova Scotia Steel and Coal Co., Limited

DIVIDEND NOTICE.

A DIVIDEND of two and one-half per cent. on the Ordinary shares of the Company has been declared payable on July 14th, 1917, to shareholders of record of June 30th, 1917.

By order of the Directors,
THOMAS GREEN,
Cashier.
New Glasgow, Nova Scotia,
June 28th, 1917.

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Office, Street Railway Chambers, 78 Craig Street West, at twelve o'clock noon, on Friday, the 31st day of August, 1917.

The Transfer Books will be closed from the 12th day of July to the 1st August, both days inclusive.

By order of the Board,
PATRICK DUBEE,
Secretary-Treasurer.
June 27th, 1917.

The Canadian Converters' Company, Limited

DIVIDEND NOTICE.

A DIVIDEND of One per cent. has been declared on the Capital Stock of the Canadian Converters' Company, Limited, for the quarter ending July 31st, 1917, payable on August 15th, 1917, to Shareholders of record as at the close of business July 31st, 1917.

By order of the Board,
THOS. M. BARRINGTON,
Secretary-Treasurer.
Montreal, July 10th, 1917.

Robert Cassels W. G. H. Browne

Cassels, Browne & Co.

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In the management of property and the investment of money, women often find themselves handicapped by inexperience. Mistrusting their own judgment, they appeal to friends for financial guidance. Such a course is not safe nor businesslike.

Insure your property against mismanagement and relieve yourself of worry by enlisting the services of this company. You will receive the benefit of experience gained in the management of many estates, both large and small.

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THE
STERLING TRUSTS CORPORATION
President W. S. DINNICK Managing Director HERBERT WADDINGTON
80 KING ST. EAST · TORONTO
Telephone Main 2717

MONEY, BANKING AND EXCHANGE

Bank Clearings Again Well Ahead of Last Year — For the Dominion a Gain of 25.0 per cent.— New Bank Branches.

Official returns of bank clearings made to THE FINANCIAL POST for the week ending Thursday last, again indicate a substantial gain over the corresponding period a year ago, the gain being $52,905,398, or 25.0 per cent., which compares with a gain shown in the previous week of 7.0 per cent. The gain in the West is 20.2 per cent., and in the East 26.8 per cent. The cities in the West to show the largest percentage gains are Medicine Hat, Lethbridge, Saskatoon, Calgary, and Regina; while in the East, Brantford and Hamilton both show substantial increases. Victoria and Brandon are the only two cities to show a decline. For the year to date the clearings aggregate $6,534,486,794, and show an increase of $1,426,200,787, or 27.9 per cent. over the corresponding period in 1916. Following are comparative figures:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	July 12, 1917.	Change.	%
Montreal	$ 99,320,057 +	$ 17,202,956	20.9
Toronto	66,663,014 +	19,070,200	40.0
Ottawa	6,509,889 +	653,473	11.1
Hamilton	5,054,234 +	1,484,054	41.5
Quebec	4,462,262 +	372,257	9.1
Halifax	3,654,520 +	826,914	29.2
London	2,339,058 +	266,265	12.8
St. John	2,238,147 +	260,604	13.2
Brantford	946,481 +	332,933	54.3
Peterboro	736,288 +	205,122	38.6
Sherbrooke ...	617,485 +	107,735	21.1
Kitchener	638,254 +	128,504	25.2
Total, East ...	$193,179,689 +	$ 40,911,017	26.8

Western Cities.

	July 12, 1917.	Change.	%
Winnipeg	$ 43,362,995 +	$ 5,427,028	14.3
Vancouver ...	8,073,599 +	1,249,081	18.3
Calgary	6,106,058 +	2,171,577	55.2
Edmonton	2,789,060 +	695,619	33.2
Victoria	1,940,012 —	263,501	11.9
Regina	3,343,470 +	1,165,799	53.5
Saskatoon	1,653,061 +	616,751	59.8
Moose Jaw ...	1,054,060 +	218,913	26.3
Ft. William...	690,075 +	114,862	20.0
Brandon	462,012 —	53,874	10.5
Lethbridge ...	868,308 +	336,699	63.4
N. Westm'ster.	335,097 +	51,278	18.1
Medicine Hat..	562,119 +	264,149	88.9
Total, West...	$ 71,239,926 +	$ 11,994,381	20.2
Grand total....	$264,419,615 +	$ 52,905,398	25.0
Yr. to date.	$6,534,486,794 +	$1,426,200,787	27.9

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending July 5 aggregate $5,949,120,000, against $5,399,176,000 last week and $4,509,438,000 in this week last year, an increase of 31.9 per cent. Following are the returns for this week and last, with percentage of change shown this week as compared with this week last year:

(000's omitted)

	July 5	I. or D.	June 28
New York ..	$3,655,125	I 33.9	$3,162,925
Chicago	464,838	I 27.2	463,175
Philadelphia.	323,508	I 34.3	318,050
Boston	261,323	I 27.5	210,630
St. Louis ...	113,288	I 28.2	121,126
Kansas City.	114,027	I 63.3	121,419
San Fran. ..	114,304	I 82.3	82,844
Pittsburgh .	71,897	I 15.3	87,695
Cleveland ...	78,233	I 59.1	79,884
Detroit	48,638	I 38.2	49,252
Baltimore ...	52,503	I .7	43,909
Cincinnati ..	38,528	I 14.7	35,009
Minneapolis.	24,203	D 7.4	25,759
New Orleans	31,330	I 36.8	32,282
Los Angeles.	27,406	I 22.4	29,146
Omaha	28,632	I 53.5	32,544
Milwaukee ..	110,951	I 6.0	23,639
Atlanta	21,726	I 73.7	22,161
Louisville ..	15,951	D 1.2	16,205
Richmond ..	22,878	I 55.7	22,235
Buffalo	19,171	I 6.5	16,738
Seattle	19,336	I 44.4	21,133
St. Paul	12,722	D 10.6	13,317

EXCHANGE.

Demand sterling which had ruled steadily for over a week at 4.75.55 gained a little on Thursday, going to 4.75.70 and closing at 4.75.62½. Cables were up slightly to 4.76.55 compared with 4.76 7/16 for weeks past. An improvement in the submarine situation—as it will lessen the speculative element of the risk—will bring demand and cables more into a normal relation.

French exchange also showed a better condition.. Demand which was down to 5.79¼ a week ago was quoted at 5.75½ on Thursday, and cables rose from $5.78 ¼ to 5.76½.

The successes of the Russian arms and the news of more settled political conditions resulted in a marked improvement. Roubles which ten days ago reached new low records of 21.75 have risen steadily and on Wednesday were 23.90 with 24.00 for Cables. Thursday's figures were 23.70 and 23.80.

MONEY.

Call money in London has continued easier this week at a range of 3½ to 4 per cent., the same as last week, ½ per cent. below the range of two weeks ago. In New York the tightening up that was attributed chiefly to the Liberty Loan was thought to have passed away and the ruling rate this week up to Thursday was 2½ per cent., compared with 3 per cent. last week, and 3½ per cent. two weeks ago. On Thursday, however, call loans rose to 4 per cent. from the opening quotation of 2½ per cent. This sudden advance was attributed to the Government's withdrawal of funds from local banks to meet expenses that had become due. That the condition was only temporary was shown by an even added easiness in time money, 60 days being quoted at 3¾ to 4 per cent., where a week ago it was 4 to 4¼ and a week earlier 4½ to 4¾.

CANADIAN BANKER HONORED.

T. Fred Aspden of the Canadian Bank of Commerce, Toronto, was elected Vice-President, when, with national banks in most of the large cities as organizers, the American Foreign Banking Corporation, formed to engage in international banking and banking in the insular possessions of the United States, was formally organized recently. The announcement in New York, where the principal offices of the company will be, says it has a capital of $2,000,000, and will begin business in September.

Archibald Kains, recently Governor of the Federal Reserve Bank of the 12th District, San Francisco, will be President and Hayden B. Harris of New York and Mr. Aspden Vice-Presidents.

MONTREAL.

At a meeting of the board of directors of the Bank of Montreal held recently, H. W. Beauclerc of Montreal, and George B. Fraser, of Greenshields Company, were elected directors of the bank. Mr. Beauclerc is a son-in-law of Lord Shaughnessy.

F. H. Ruel, who has been manager of the Curling, Newfoundland, branch of the Bank of Montreal, for the past seven years, has been transferred to the branch at Montreal.

UNION.

A. G. Donaldson, manager of the Canora, Sask., branch of the Union Bank has been transferred to the branch at Yorkton. Mr. Ramsay will succeed Mr. Donaldson at Canora.

NEW BANK BRANCHES.

As reported to THE FINANCIAL POST, the Canadian chartered banks opened sixteen branches, one being a sub-branch, and closed two branches during the month of June. The Bank of Commerce opened three branches, one each in Ontario, Alberta and Saskachewan; Nationale three in Quebec; Royal two, one each in Saskatchewan and British West Indies; Hochelaga two in Quebec and one in Saskatchewan; Montreal two in Quebec; and one each by the Bank of Toronto in Saskatchewan; Sterling in Ontario, and Merchants in Ontario. Of the two branches closed, one was a sub-branch by the Bank of Ottawa in Quebec, and one by the Nationale in Quebec. Following is a list of the branches opened and closed during the month:

(OPENED).

Commerce.—Hamilton Rd., London, Ont.; Cadogan, Alta.; Tramping Lake, Sask.

Royal.—Swanson, Sask.; Scarborough, Tobago, B.W.I.

Toronto.—Madison, Sask.

Sterling.—Hensall, Ont.

Merchants.—Petite Cote, Ont.

D'Hochelaga.—Lachine, Que. (Notre Dame Branch); Notre Dame de Ham (sub); Howell, Sask.

Montreal.—Valcartier Camp, Que.; Verdun, Que., sub to Montreal.

National.—3 branches in Quebec.

(Closed).

Ottawa.—Brownsburg, Que. (sub).

Nationale.—Quebec.

For the first six months of the year the total number of branches opened amounted to 135 and 21 branches closed. The table following indicates the monthly changes for the past three years and for the first six months of the present year:

	1917		1916		1915		1914	
	*Op.	Cl.	Op.	Cl.	Op.	Cl.	Op.	Cl.
Jan. ...	19	6	16	14	6	9	16	6
Feb. ...	19	2	10	12	12	9	18	6
Mar. ..	19	4	11	12	23	10	25	5
April ..	22	4	3	9	10	7	20	9
May ...	40	3	16	8	19	13	51	13
June ...	16	2	9	9	28	18	33	11
July ..	..	..	13	3	9	6	11	2
Aug. ..	..	..	10	5	9	6	13	8
Sept. ..	..	..	6	6	23	11	10	9
Oct. ...	..	..	30	11	6	7	15	4
Nov. ...	..	..	24	23	10	14	5	16
Dec. ...	..	..	13	3	15	24	20	23
Total .	135	21	161	114	169	134	237	119

*Op.—Opened. Cl.—Closed.

At the end of June there were 3,421 branches in the Dominion and elsewhere, and are distributed as follows:

	1917.
Ontario	1,177
Quebec	812
Nova Scotia	117
New Brunswick	82
Prince Edward Island	17
Manitoba	202
Alberta	266
Saskatchewan	444
British Columbia	186
Yukon	3
Newfoundland	27
Elsewhere	88
Total	3,421

CONSCRIPTION OF WEALTH.

Sir Thomas White Dispels Some Popular Illusions.

THE FINANCIAL POST has pointed out the dangers in the use of the term "conscription of wealth," which to many has the meaning that the Government will seize savings and other material reserves of the people. In this connection the Minister of Finance has wisely made the following statement:

"It has been officially drawn to the attention of the Government that the use of the expression 'conscription of wealth' in the debates in Parliament and by public and other bodies outside Parliament, and by the press in its news reports has caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion, and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war most largely depend.

"I desire to say, on behalf of the Government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary, it will be the policy of the Government, in the future, as in the past, to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war.

"Any taxation to which it may be necessary for the Government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities."

MOTOR SAVINGS BANKS.

Gasoline Conveyances Being Used in Great Britain.

Motor cars, equipped as banks travelling from one end of the United Kingdom to the other, was one of the methods suggested to the British Government for securing national savings for Government loans. The country was to be mapped out in suitable areas with a car allotted to each area. The motors were to carry notices that the cars had been commandeered by the Government for use as motor savings banks and other appeals urging the necessity for national thrift, announcing the rates of interest on the Government bonds, etc. It was felt that by such methods the attention of every individual would be riveted upon war needs. Without adopting such dramatic methods the National Service Board is appealing to all Canadians to practise economy.

WESTERN CROPS PROMISE WELL RAINS IN EAST.

Continued from page 1

West. The reports about frost damage do not count for much."

The Ontario Government's report for the week says that early potatoes are already coming on the market, and a big yield is likely. As a consequence, the price of storage potatoes has been tumbling. All field roots, including sugar beets, are doing well, for although most of them had a rather late start in sowing owing to the rainy season, there has been a decided rush of growth. The beginning of haying, the immediate need of hoeing after the frequent rains, and the near approach of grain harvesting, make the demand for help very strong, but few experienced men are in sight. It is hoped, however, that vacation labor from the cities will ease the situation. Town and city girls are helping in strawberry picking and other light field work. There is a brisk demand for tile and tiling, owing to the proved need of drainage last year and during the present season. The Government tractors are being kept very busy.

Fall wheat and rye have headed well, while many fields of Marquis wheat in Ontario are heading out now, peas blossoming well, barley heading out, and pastures for stock are abundant.

UNLISTED STOCKS.

July 12, 1917.

	Bid.	Asked.
Mexican Mahogany, com....	....	14.00
Do., bonds	....	60.00
Dominion Glass, com.......	22.00	25.00
Crown Trust	....	95.00
Abitibi Pulp, com.	45.00	....
Do., pref.	87.00	....
Home Bank	64.00	66.00
Standard Reliance	45.00	49.00
Dominion Permanent	68.00	68.00
Nat. Drug 7 p.c. pref......	90.00	....
Trust & Guarantee	84.00	88.00
Can. Machinery, pref.	43.00	47.00
Do., 6's	76.00	82.00
Chapman Ball Bearing	34.00	40.00
Dom. Power & Tran., pr...	94.00	....
Carter Crume, pref.	....	70.00
Canadian Oil, pref.	89.00	100.00
Dunlop Tire, pref.	92.00	95.50
Goodyear Tire	....	195.00
Cockshutt Plow, pref.	65.00	....
Steel & Radiation, com.....	....	30.00
Do., pref.	....	65.00
Do., bonds	....	68.00
Continental Life	20.00	25.00
Canada Paper, pref.	....	92.00
Can. Mortgage	88.00	90.50
Sterling Bank	89.00	91.00
N. A. Pulp	4.75	5.00
Black Lake, com.	....	2.50

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Subscribers to The Financial Post who are going out of town may have THE POST delivered to their summer resort or any place they are going. Address may be changed as often as desired.

The present as well as the address to which paper is to be sent must be given to ensure prompt service.

THE ROYAL BANK OF CANAD

INCORPORATED 1869

Capital Authorized - - - $ 25,000,000
Capital Paid Up - - 12,911,700
Reserve and Undivided Profits, 14,324,000
Total Assets - - - - 295,000,000

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365 Branches in Canada and Newfoundland.
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SAVINGS DEPARTMENT AT ALL BRANCHES.

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By which the Testator disposes of all his property.
And he should entrust its administration only to those experienced in such matters.
Administration of Estates is this Company's business and its officers are especially trained for all the duties involved and will be glad to discuss this subject with you.
Appoint this Company to act as either your sole executor or jointly with your friends.

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QUESTION AS TO THE SURPLUS OF TORONTO HYDRO

Readjustment of Depreciation Account Provided $172,455.

OTHERWISE A DEFICIT ?

Analysis of the Report Would Appear to Indicate That Reduced Rates Were Not Justified by the Actual Current Income.

When the Toronto Hydro Electric System, which ended the year 1915 with a surplus of revenue of only $3,137, on an income of $1,620,000, announced that substantial reductions in rates would be made for 1916, and this in the face of very unsettled conditions as regards several phases of operation, there were those who felt that the commissioners must have solved the problem of foreseeing business developments and others who felt that there was more than a probability that what may be termed "Government ownership" methods of financing would be introduced. When at the end of 1916 a surplus of $18,396 was reported, there appeared to be evidence that the developments of the year had been properly forecasted and the policy adopted fully justified. Of course, there was room for the criticism that the margin allowed was a narrow one on such a large volume of business—the income was $1,706,177. However, there are some phases of the report which would indicate that all may not be as appears on the surface; indications that certain "Government ownership" methods of finance were actually employed.

The FINANCIAL POST has secured a preliminary copy of the report, which is not yet available in printed form, and of the accounts presented particular interest attached to the surplus account, which is here reproduced:—

SURPLUS ACCOUNT.

DR.

To Sinking Fund Suspense Account		$ 93,733.96
To Grants for Patriotic Purposes brought forward from 1915		10,000.00
To Amount Reserved for Bad Debts chargeable to former years		22,420.74
To Miscellaneous Charges not attributable to Operating Expenses of year		4,807.11
To Payments during year to Employees Enlisted for Active Service and other Patriotic Grants		25,137.48
To Balance carried forward		63,390.45
		$219,489.74

CR.

By balance brought forwyard from 1915		$ 3,137.79
By Reserve for Accounts Receivable as at December 31, 1915, for Moving Poles, (no longer necessary)	$ 25,500.00	
By Amount from Readjustment of Depreciation	172,455.14	
By Net Income for year as per Revenue Account	18,396.81	
		216,351.95
		$219,489.74

Attention is directed to the main item in making up the amount of this account, "Amount from readjustment of depreciation, $172,455." This excites interest. Turning to the report of the commissioners we find an explanation which does not altogether explain: "In accordance with the advice of the Hydro Electric Power Commissioners of Ontario, and with the full approval of the Commissioner of Finance of the City of Toronto, the depreciation reserve has been revised and placed upon a uniform basis as from the inauguration of the enterprise, the sinking fund basis being used."

Was Deficit Covered?

It, therefore, appears that of the amount required for sinking fund, suspense, patriotic grants, bad debts, reserves, etc., $172,455 was provided by a readjustment of the depreciation account. In other words, this amount was made up by an arrangement—to quote the report — "in accordance with the advice of the Hydro-Electric Power Commissioners," who, by the way, fixed the lower basis of rates. In the ordinary course of events it would have been taken from revenue. Deducting the surplus reported from this amount there would appear to be an actual deficit for the year of $154,059.

Reversing the situation, the question might be asked whether the Toronto commissioners, finding that the rates dictated by the Ontario Hydro Board were too low to provide a surplus and make provision for the usual sinking fund, etc., did not appeal to the latter body and they, rather than reduce the rates to the public, rates for which they were responsible, recommended that the sinking fund basis be changed, thus permitting the substantial benefits referred to in the current year.

Depreciation Allowance.

An examination of the depreciation account would seem to bear out the conclusion that the allowances during 1917 from the current revenue were small. While the statement shows $208,388 provided out of net earnings for depreciation, the balance sheets shows that the increase in the amounts appearing at the year end, was only $37,236, as follows:—

DEPRECIATION ACCOUNT.

1916.		
Depreciation General Assets	$694,331.46	
Depreciation Leasehold property	42,475.77	
		$736,807.23
1915.		
Depreciation General Assets	$666,906.23	
Depreciation Leasehold property	32,664.39	
		699,570.62
Increase during year		$37,236.61

On the other hand, the difference between the amount provided for depreciation from net earnings at $208,388 and that provided from readjustment of the depreciation account, $172,455, was $35,932.

The increase in the depreciation items and the difference between appropriation from earnings and adjustment of depreciation account are close enough to be significant. Some other minor adjustments on other items probably entered in also.

Percentage for Depreciation.

Taking the actual increase in the items of depreciation referred to — $37,236—it is found that the additional sum provided amounts to only about ½ of 1 per cent. on fixed assets. This is a very small allowance as may be appreciated from the fact that competent opinion bases the depreciation on a plant of this class at 4 per cent. according to standards set up by big American companies.

However, on the whole, the allowances for depreciation are evidently much more liberal than during 1916. The total at credit of these accounts at December 31 last for general assets, leasehold property and contingencies was $743,307, which is 9.9 per cent. of the fixed assets, representing a period of five years. As compared with the amount referred to the allowances on the basis of 4 per cent. would have been about $1,120,000 (without interest), or about $450,000 greater than shown.

MARKETING OF GRAIN.

Recommendations of the Canadian Council of Agriculture.

Following are the recommendations of the Canadian Council of Agriculture made to the Board of Grain Supervisors of Canada in session at Winnipeg recently in connection with the marketing of Canada's food crop:—

1. That there be unanimity of action and method on the part of your Board and any similar board in the United States.
2. The use, as far as possible, of such existing organizations and facilities as may be necessary and advantageous for the expeditious collecting, forwarding and marketing and distribution of the Canadian grain crops.
3. If, in the opinion of your Board, war conditions warrant control of, or the fixing of prices, we, being strongly opposed to speculative disturbance of values, would then recommend that a flat basis price, with fixed spreads on lower grades at milling discounts, be set at the commencement of the season, rather than maximum and minimum values, as the latter method would afford facilities for speculation within its range of values; the flat basis price to carry with it a provision to cover the net carrying cost of grain delivered on subsequent dates; this provision, being, in our opinion, necessary to protect the owner of grain, who, through conditions over which he has no control, may be unable to make immediate shipment, and at the same time offers practically no inducement to the owner to unduly hold his grain from the market.
4. That due regard to the encouragement of greater production and to the interests of both the producer and consumer be given in the event of prices being controlled or fixed by your Board.
5. That in order to ensure a free and regular movement of grain to market your Board, if necessary, arrange for or order that there be furnished to it periodical staements of stocks of grain giving ownership and location of same.
6. That the cost of flour to the consumer should hinge directly on bulk wheat values, which are now in your control, we recommend that your Board make representations to the proper authority for power to exercise such control over flour prices as will ensure a fair value relationship between flour and bulk wheat bought for milling purposes, which condition has not existed recently.

JAPAN WANTS STEEL.

Arrangements May be Made for Supply from the United States.

A New York report says that an authority on Japanese affairs states that the Japanese Government is making arrangements with the United States Government whereby Japan will get steel in exchange for ships. The first part of the agreement will be that the United States expedite shipments of steel for Japanese shipyards and in return the Government will send about 50,000 tons of ships to carry United States troops and war materials to Europe.

THE PUBLISHERS' ATTITUDE ON THE PAPER INQUIRY

Say That Investigation Will Not be Let go by Default.

PROTEST TO BE ENTERED

Consumers of News Print Object to the Positicn Which Has Been Taken by Commissioner Pringle as to Scope of Inquiry.

The FINANCIAL POST understands that the newspaper publishers will not be content to let the inquiry into news print go by default, so far as they are concerned, with the withdrawal of their counsel, W. N. Tilley, K.C. A protest will be entered in some form against the ruling of the commissioner, and the question of scope of the investigation may come up in Parliament. It is probable, however, that the matter will be taken before the Government. The publishers feel that the refusal of the commissioner to delve into the export selling arrangements of the greater part of the newsprint made in Canada renders it impossible to establish the real "cost" of paper, and a fair price for Canadian newspapers to pay.

In an interview which FINANCIAL POST had with one of the leading members of the paper committee of the Canadian Press Association that is handling the newsprint question, the case as it appears to the publishers was set forth, and in view of the fact that this is the first public inquiry carried on in Canada into the cost of commodities, and that rather sensational charges have been leveled against the mill men of falsifying the estimates of the cost of manufacture, which must affect very closely the interests of the security holders, the main points as the publishers see them are stated in brief form herewith:—

"There were four points that it was announced at the first that the Commission had started out to investigate in regard to newsprint, the manufacture, the supply, the sale and the price. We contend that the relation of the Canadian Export Co. which Mr. Pringle refused to investigate has a direct bearing to the subject on all four points. It was established that two mills in Canada sold their whole output to two United States papers, the New York *World* and the Chicago *Tribune*. Another one, the News Pulp and Paper Co. supplied one paper in Canada, the Montreal *Star*. It was proved that all the export trade of the remaining mills was conducted through two selling companies, George H. Mead & Co., and the Canadian Export Co. The former takes charge of the entire output of two mills, the Abitibi and the Spanish River Pulp and Paper Co. Mr. Mead is President of the Abitibi Co. and it was shown that as selling agent his firm receives $1.50 a ton for all that is sold in the United States (and none is sold in Canada.) This commission, which we feel is exorbitant, is charged back against the cost of the paper.

"In the case of the Canadian Export Company it was proved that it is officered by officials of four of the five mills whose output it controls. It is a Canadian company, with a Canadian office, in Montreal, and no shareholders except high officials of four Canadian mills. The fifth one, the St. Maurice, does all its exporting through this concern. A letter was filed in which the St. Maurice mill told a prospective customer for 100 reams that he would have to deal with the Canadian Export Co., not with them. This establishes the connection of supply.

"In the case of Geo. H. Mead & Co. we consider that an abnormal commission is being charged back, namely $1.50 a ton, against the cost of the paper. What we want to find out in the case of the Canadian Export Co. is whether, as in the other, an abnormal brokerage commission is being charged the five mills. This would inflate the cost for the Canadian newspapers and at the same time the commission would be returned as dividends to these same mills who really compose the selling company. Thus an inquiry into the Canadian Export Co. has a direct bearing on the 'cost' of paper as well as the supply. These two points —as well as the other two—that the commissioner promised to cover can only be covered properly by an investigation into this concern, and this he has refused.

"The Commissioner has said almost in so many words that he does not care a hoot whether there is a combine or not; that this does not concern his inquiry. But it is important to learn whether the law of supply and demand is operating in connection with the prices that are fixed

Continued on page 11.

NORTHWEST COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 18th day of June, 1917, incorporating Clayton Dewitt Dean, engineer, Florence Mary Smith and Grace Gibb Galbraith, clerks, Shirley May Marris and Mildred McLean Gardiner, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(1) To search for and recover and win from the earth, petroleum, natural gas, coal, oil, salt, metals, minerals and mineral substances of all kinds, and to that end to explore, prospect, mine, quarry, bore, sink wells, construct works or otherwise proceed as may be necessary; to produce, manufacture, purchase, acquire, refine, smelt, store, distribute, sell, dispose of and deal in petroleum, natural gas, coal, oil, salt, chemicals, metals, minerals and mineral substances of all kinds and all products of any of the same; to trade in, deal in and contract with reference to lands or interests in land, mines, quarries, wells, leases, privileges, licenses, concessions and rights of all kinds covering, relating to or containing or believed to cover, relate to or contain petroleum, natural gas, coal, oil, salt, chemicals, metals, minerals or mineral substances of any kind; and to work, manage, operate, turn to account, explore, develop, and improve the properties of the company, whether mining, agricultural or otherwise; (2) To acquire, purchase, take on lease or license, hire, hold, use, sell, grant leases of, grant licenses of, exchange, alienate, dispose of and otherwise deal in or contract with reference to land or interests in land, personal property of all kinds or interests therein, rights, privileges, licenses and concessions; (3) To acquire, lease, construct, improve, own, use, operate, deal in or contract with reference to ships, boats, or vessels, of any description, wharves or wharfage facilities, docks and docking facilities, cartage plant forwarding plant, warehouses, and towing, wrecking and salvage plant or any interest in any of the same; (4) To manufacture and deal in appliances, implements, machinery, apparatus, goods and supplies in any way connected with or incidental to the operations of the company or to the use of any of the products of the company; (5) To deal in and contract with reference to timber lands, timber licenses and timber rights and to cut, render merchantable, handle, manufacture, deal in and contract with reference to timber and lumber of all kinds and all products thereof; (6) To acquire, lease, construct, improve, own, use and operate, works for the development of power, light and heat, to use, purchase, sell, supply, lease or otherwise deal in or contract with reference to power, light and heat, subject always to all local laws or regulations in that behalf; (7) To acquire, lease, construct, improve, own, use and operate, irrigation works and works for the supply of water for other purposes, and to use, purchase, sell, supply, lease or otherwise deal or contract with reference to water for irrigation or other purposes, subject always to all local laws and regulations in that behalf; (8) To manufacture, buy, sell, trade and deal in goods; wares and merchandise of all kinds; (9) To acquire, lease, construct, improve, maintain, own, use, operate, sell, let and deal in dwelling houses, lodging houses and hotels; (10) To operate ranches or farms for live stock or agriculture, to breed, raise, keep, render marketable and deal in horses, cattle, and live stock of all kinds and to produce and deal in all products thereof and all agricultural products; (11) To operate construction or building plants and to take and carry out contracts for building or construction work of any kind; (12) To undertake, carry on and execute transactions as financial or commercial brokers or agents, to act as general commercial agents, commission men and manufacturing agents, and to carry on the business of agency in all its branches; (13) Notwithstanding the provisions of section 44 of The Companies Act to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein; and to apply or to accept, in whole or in part, as consideration for, satisfaction of or security for any contract, indebtedness or obligation, to or of the company, property, obligations, shares and securities of any kinds, at such valuation and upon such terms as may be agreed upon; (14) To furnish aid to any business or undertaking similar in whole or in part to that of the company with which the company may have business relations, by way of loan, bonus, endorsement, agreement, guarantee, management or other service, and to manage, supervise and control the same in whole or in part and to act as agent or attorney for the same; (15) To carry on any other business, which may seem capable of being conveniently or advantageously carried on in connection with the business of the company or calculated directly or indirectly to enhance the value of, to facilitate the realization of or to render more profitable any of the company's businesses, properties or rights; (16) To invest the moneys of the company not immediately required in such investments as may from time to time be determined; (17) To co-operate in, aid in, subscribe towards or subsidize any proceeding or undertaking which may seem calculated directly or indirectly to benefit the company; (18) To acquire or undertake the whole or any part of the business, property and liabilities of any person, partnership, association or company having objects altogether or in part similar to those of the company or carrying on any business which the company is authorized to carry on, or possessed of property which may seem suitable or desirable for the purposes of the company; (19) To apply for, purchase or otherwise acquire and to protect, prolong and renew patents, patent rights, trade-marks, formulae, licenses, protections, concessions and the like, conferring or relating to any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, improve, develop or grant licnses in repect of or otherwise turn to account the property, right or information so acquired; (20) To enter into partnership or in any arrangement for sharing of profits or expense, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise, with any person, partnership, association or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the company is authorized to carry on or engage in or any business or transaction which may seem capable of being conducted as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person, partnership, association or company and to take or otherwise acquire shares and securities of any such partnership, association or company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (21) To take or otherwise acquire and hold shares in any partnership, or stock or shares in any association or company having objects altogether or in part similar to those of the company or carrying on any business which may seem capable of being conducted so as directly or indirectly to benefit the company; (22) To apply for, promote and obtain from the Dominion of Canada or any other authority, whether Dominion, Provincial, Imperial, Colonial or foreign, and including subordinate and municipal authorities, any statute, ordinance, order, regulation or other authorization or enactment which may seem desirable to the company or calculated directly or indirectly to benefit the company; (23) To enter into any arrangements with any governments or authorities, supreme, provincial, civic, municipal, local or otherwise, that may seem conducive to the company's objects or any of them and to apply for, promote and obtain from any such government or authority any statutes, ordinances, licenses, contracts, orders, regulations, decrees, rights, powers, franchises, privileges and concessions or other authorization which the company may think it desirable to obtain, and to carry out, exercise and comply with the terms of the same; (24) To establish and support or aid in the establishment and support of associations, institutions, funds, trust and conveniences calculated to benefit employees or ex-employees of the company, or of its predecessors in business, or of any person, partnership, association or company allied with the company in business or subsidiary to the company or in which the company holds shares or securities, or to benefit the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (25) To promote, form, organize, manage, develop, take interests or stock or shares in and assist financially or otherwise any partnership, association or company for the purpose of acquiring or taking over all or any of the property and liabilities of the company or for any other purpose which may seem calculated directly or indirectly to benefit the company; (26) To acquire, purchase, take on lease, hire, construct, improve, own, use, maintain, operate, manage, carry out and control plant, equipment, machinery, supplies, buildings, works, shops, warehouses, elevators, manufactories, pumps, tanks, pipe lines, smelters, refineries, roads, ways, canals, bridges, electric works, electric plant, hydraulic works, hydraulic plant, boats, ships, docks, wharves, piers, gas works, cables, waterworks, reservoirs, aqueducts, flumes, ditches and all other structures, works, conveniences and appliances as may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the acquisition, purchase, leasing, hiring, construction, improvement, ownership, use, maintenance, operation, management, carrying out or control thereof; (27) To acquire, purchase, take on lease, hire, construct, improve, own, use, maintain, operate, manage, carry out and control, but only upon lands owned or controlled by the company, or over which the company may have a right or license to that effect, such roads, ways, bridges, lines of rail, spurs, sidings, tracks, rolling stock, cables, wires, motors, locomotives, electrical plant and all such other structures, works, conveniences and appliances as may be required for the purpose of maintaining communication by telegraph or telephone or of effecting the transport of goods or passengers, and to contribute to, subsidize, or otherwise assist or take part in the acquisition, purchase, leasing, hiring, construction, improvement, ownership, use, maintenance, operation, management, carrying out or control thereof; (28) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (29) To sell, exchange, lease, dispose of, turn to account or otherwise deal with or contract with reference to all or any part of the property or undertaking of the company, or any part thereof, for, such consideration as the companys may think fit, and in particular, and notwithstanding the provisions of section 44 of The Companies Act, for shares, debentures or securities or any other partnership, association or company; (30) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (31) To sell, exchange, lease, dispose of, turn to account or otherwise deal with or contract with reference to all or any part of the property and rights of the company; (32) To consolidate or amalgamate with any other company having objects similar in whole or in part to those of the company; (33) To procure the company to be registered, licensed or otherwise recognized in any foreign country, and to designate and appoint persons therein as attorneys or representatives of the company with full power to represent the company in all matters according to the law of such foreign country and to accept service for and on behalf of the company of any process or suit; (34) To pay out of the funds of the company all or any of the expenses of or incidental to the formation and organization thereof and to employ, contract with and provide for the remuneration of brokers, commission agents and underwriters upon any issue of shares, bonds, debentures, debenture stock or other securities of the company; (35) To distribute or divide assets of the company in specie amongst the shareholders; (36) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (37) To do all such other things as may seem directly or indirectly to be incidental to or conducive to or convenient or proper for the accomplishment of the purposes or the attainment of the objects of the company, or any of them, or expedient for the protection or benefit of the company; (38) No power granted in any paragraph hereof shall be limited or restricted by reference to or inference from the terms of any other paragraph hereof. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Northwest Company, Limited," with a capital stock of five hundred thousand dollars, divided into 5,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 21st day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

GODERICH DRYDOCK AND SHIPBUILDING COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 18th day of May, 1917, incorporating David Inglis Grant, Mervil MacDonald, Percy Edwin Frederick Smily and Bruce Williams, barristers-at-law, and Newton Carman Shaffer, clerk, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To build, buy, sell, equip, operate, own, lease, and otherwise dispose of steamships, steamboats, sailing ships, vessels, boats and other property, including materials, articles, tools, machinery, appliances, engines, boilers, tackle, apparel, furniture and appurtenances necessary or proper to be used in business, trade, commerce and navigation; to carry on the business of engaging, receiving, transporting and delivering merchandise upon freight or for hire between any port or ports; the business of owning or chartering vessels therefor; the business of operating vessels in such service; the business of contracting or arranging for the transportation of merchandise to or from any such ports, by rail, boat or otherwise, or to any inland or coast place or places; to enter into contracts for the carriage of mails, passengers, goods and merchandise by any means either by its own vessels or by or over the vessels, railways or conveyances of others; to gather, receive, distribute and deliver goods and merchandise, and to carry on a general transportation, freight and express business; to employ as ship's husband and managing agent of any vessel owned by the company, any person, firm or company, whether limited or not, and that although he or they may not be entitled to any interest or share in the said vessel in question or in the company; to carry on the business of storage, wharfage, warehousing and forwarding, and the doing of every act or acts, thing or things, incidental or growing out of or connected with said business, including the owning, leasing, holding, erecting and maintaining of docks, bulkheads, piers, basins and warehouses; the storage of all kinds of goods, wares and merchandise; the storage and docking of ships, steam vessels and boats of every kind and description; the loading and unloading thereof; the issue of storage and warehouse receipts, negotiable and non-negotiable, covering all kinds of goods, wares and merchandise; the collection and receipt of dockage, wharfage and storage dues and other compensation; the loaning of money on the pledge of goods, wares and merchandise and other property, or on the pledge of storage, dock and warehouse receipts therefor; and the advancing of freight, duties, fire and marine insurance and liens of every kind and nature upon goods, wares and merchandise received on storage or for the purpose of being warehoused; and to carry on the business of general contractors for the construction and equipment of public and private works, and of engineers; (b) To construct, execute, carry out, equip, improve, work, develop, administer, manage or control public works and conveniences of all kinds, which expression (the generality of which is not to be limited in any way by the following) includes tramways, docks, harbors, piers, wharves, canals, reservoirs, embankments, irrigations, reclamation, improvement, sewerage, drainage, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works, and hotels, warehouses, markets, and public buildings and all other works or conveniences of public utility; (c) To manufacture, buy, sell, let or hire, trade and deal in bicycles, automobiles, motor trucks, motor vehicles and engine motors, and vehicles of all kinds howsoever operated and the various parts thereof and all kinds of motor powers to operate the same and all kinds of machinery and materials for generating, producing and transmitting such motive powers; (d) To carry on any other business, whether manufacturing or otherwise, capable of being conveniently carried on in connection with or ancillary or subsidiary to its business, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (e) To acquire by purchase, concession, exchange, lease or otherwise and to construct, erect, operate, hold, maintain and manage all factories, stores, shops, depots, machine shops, engine houses and other structures and erections necessary or convenient for the carrying on of its business, and all other property, real or personal, necessary or useful for the carrying on of any of the purposes of the company, and to lease, sell or otherwise dispose of the same; (f) To apply for, obtain, register, purchase, lease, or license on royalty or otherwise, and to hold, own, use, operate, sell or assign, or otherwise dispose of, any and all trade-marks, trade-names and distinctive marks, copyrights and patent rights and all inventions, improvements and processes, used in connection with or secured under Letters Patent, and to use, exercise, develop, grant licenses in respect of, or otherwise turn to account any such trade-marks, trade-names, patents, licenses, concessions, processes and the like, or any such property, rights and information so acquired and with a view to the working and developing of same; (g) Notwithstanding the provisions of section 44 of The Companies Act, to purchase and acquire and own, hold, sell and issue shares, debentures, bonds and other securities of any company or corporation, and to pay for the same wholly or partly in cash, shares, bonds, debentures or other securities of the company, and to guarantee payment of the principal of or dividends and interest on such shares, bonds, debentures or other securities, and while owners of any such shares, bonds, securities or other obligations to exercise any and all voting powers thereon by its duly appointed officers or by proxy to the same extent as a natural person might or could do, and to manage, operate and carry on as a manager the franchises, undertakings and business of any company or corporation any of whose shares, bonds, debentures or other securities are held by the company; (h) To consolidate or amalgamate with any other company or corporation having objects altogether or in part similar to those of the company, and to acquire by purchase, lease or otherwise, the property, franchises, undertakings, good-will and business of any such company or corporation and to assume the liabilities thereof and to pay for the same wholly or partly in cash, shares, bonds or other securities of the company; (i) To acquire the good-will, property, rights and assets and assume the liabilities of any person, firm or company indebted to the company or transacting any business similar to that conducted by the company, and to pay for the same either wholly or partly in shares, cash, bonds or securities of the company or otherwise; (j) To promote or assist in promoting or become a shareholder in any subsidiary, allied or other company carrying on or having for its purposes the operation of any business altogether or in part similar to that of this company, and to enter into any arrangement for sharing profits, union of interest, joint adventure, reciprocal concession or otherwise with such person or company, and notwithstanding the provisions of section 44 of the said Act to take or otherwise acquire shares and securities of such company and to pay for the same wholly or partly in cash, shares, bonds or other securities of the company, and to hold, sell, re-issue, with or without guarantee of principal, interest and dividends, or otherwise to deal with the same; (k) To sell, lease, or otherwise dispose of the property, rights, franchises and undertakings of the company or any part thereof, for such consideration as the company may think fit, and in particular for shares, debentures, bonds or other securities of any other company having objects altogether or in part similar to those of the company; notwithstanding the provisions of section 44 of the said Act; (l) To draw, make, endorse, accept, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable and transferable instruments and securities; (m) To accept in payment of any debt due to the company stock, shares, bonds, debentures or other securities of any company; (n) To invest and deal with the moneys of the company not immediately required in such securities and in such manner as may from time to time be determined by the directors; (o) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the company; (p) To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (q) To do all or any of the above things and all things authorized by the letters patent or supplementary letters patent, as principals, agents, contractors or otherwise and either alone or in conjunction with others; (r) To do all such things as are incidental or conducive to the attainment of the above objects and of the objects set out in the letters patent or supplementary letters patent; (s) To employ brokers, commission agents and underwriters for that purpose and to provide for the remuneration of any such person or persons rendering services of any kind to this company; (t) To procure the company to be licensed or otherwise recognized in any foreign country and to designate persons therein as attorneys or representatives of the company, and to give such persons power to represent the company in all matters according to the laws of such foreign countries and to accept service for or on behalf of the company of any process or suit; (u) The business or purpose of the company is from time to time to do any one or more of the acts herein set forth, and any power granted in any paragraph hereof shall not be limited or restricted by reference to or inference from the terms of any other paragraph.

The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Goderich Drydock and Shipbuilding Company, Limited," with a capital stock of one million dollars, divided into 10,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 21st day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

THE FINANCIAL POST
OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - H. T. HUNTER
Manager - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

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Toronto, July 14, 1917.

TELL THE PEOPLE WHY THEY MUST.

WHEN the FINANCIAL POST calls upon the government to tell the people of the seriousness of the military situation, of the food situation and of the financial situation which the nation is facing, it is not with the idea that a rush of recruiting will be encouraged, that people will cut down their food rations or that wealth will be freely offered up as a sacrifice. For these things the people will stand as a nation but each individual is likely to regard himself—or herself—as an exception.

The truth is that we must use the force of a democratic nation; we must make the minority or the individual subservient to the will of that majority which will stand collectively for what is best and what is necessary. We must recruit men, we must consume less (or produce much more) and we must pay heavier taxes.

These are the things which the government must enforce. They can only be satisfactorily enforced when the people recognize their necessity. And that necessity will only be recognized when the government admits the seriousness of the situation; when the people are told that they must be made to act—act quickly, wholeheartedly and forcefully—or face the grave probability of defeat.

THE STRIKE AND THE SHAREHOLDERS

NOW that the Toronto Street Railway strike has been settled and there is an opportunity for consideration of the larger issues involved, it is interesting to note that in the obvious fight between the men and the company, the element whose interest is on a par with that of the strikers has been overlooked as usual. We refer to the shareholders—the investors who own the enterprise and whose money the company is paying out to the men.

At the outbreak of the war the market value of the company's stock was 123. Those who are acquainted with the operations of the stock market know that this was a real value as nearly as could be struck in view of all the conditions of the time or prospective. On a basis of 120,000 shares the value represented was $14,760,000. When this week the price struck 73 the value dropped to $8,760,000. In other words the effect of war conditions has been to lower the value of the Toronto Street Railway to the holders of the stock by $6,000,000. This cannot be said to be due to the franchise outlook; that was no doubt considered even in 1914. In fact, the declines of street railway stocks in Winnipeg and Montreal have been as great or greater during the same period.

Now had the Toronto Street Railway been a public ownership enterprise the $14,760,000 stock would have, in principle if not in fact, been held by the city instead of the company and the ratepayers would have been the shareholders. Under the conditions which have prevailed there would have been a loss to the city and the citizens of $6,000,000—perhaps much more under the usually less efficient "public-ownership" management.

Under such circumstances how would the extra pay now being given to the men and the other increased charges reflected in declining profits have been met; by increasing the fares or out of the general tax funds? We wonder.

TORONTO-HYDRO BOOKKEEPING.

IN the current issue, the FINANCIAL POST presents an analysis of some features of the annual statement of the Toronto Hydro System, and the conclusion drawn is that an effort has again been made to throw dust in the eyes of citizens who, from the figures presented, try to find out the actual results of the year's operations.

Obviously, according to the report, the sum of $208,388 was set aside for depreciation, leaving a surplus of $18,396. BUT examination shows that, by arrangement with the Ontario Hydro Commission, there was an adjustment by which $172,455, previously appropriated for depreciation, was brought forward to the current year. Thus the amount appropriated from 1916 would appear to be only $35,932. Had it actually been $208,388, the conclusion follows that there would have been a deficit of $154,059. The fact that the principal items for depreciation showed an increase over the year of only $37,236 seemingly bears out this contention. Such a sum is only about ½ of 1 per cent. of the fixed assets.

Readers will remember that at the instance of the Ontario Board the Toronto Commission made material reductions in rates in face of the fact that in 1915 the surplus was only $3,137, and that uncertain conditions as to operating costs were being faced. THE POST understands that the Toronto Commissioners put the new rates into effect under protest. Under the circumstances, the theory here advanced that the results attained were through "public ownership" bookkeeping is interesting and illuminating.

THE PRESS AND THE PAPER MAKERS.

THE Toronto World, in editorially attacking the paper manufacturers for their arrogance and tyranny, refers to "the trade press and their apologists in the financial press."

We are not aware what the policy of the financial newspapers generally has been towards the pulp and paper manufacturers in the tremendous advances in their selling prices, but the FINANCIAL POST has certainly made no apology for them. On the other hand, we have plainly indicated that we have no sympathy with them. Apparently, from the evidence so far submitted, we believe that they have got themselves into a nasty position. At the bottom of the whole business are a group of United States promoters and get-rich-quick stock jobbers. The whole scheme originated with a financial highwayman in New York. Outside of Laurentide and some of the older Canadian companies, we have discouraged investment in their securities until the business is put upon a more stable basis.

Nine months ago, in our issue of October 2, 1916, we said:—

> "The pulp and paper industry is facing an important problem at the present time. If the managers solve it intelligently, the securities will become one of the safest of our permanent investments. If not, they will continually be subject to press and parliamentary attacks and hampering, if not confiscatory legislation. . . . These experiences suggest that the pulp and paper makers and their customers should get together, discuss the situation frankly and agree upon a price basis that will enable the manufacturers to pay good wages, good dividends on the investment and build up the industry on a basis that will ensure its permanency of dividends. On the other hand, the newspapers must not expect, as they do, the manufacturers to cut their reasonable profits to enable the papers to turn out cumbersome issues to be sold at an actual loss. We know of one daily, owned by a large capitalist, that is now selling on a basis which represents an annual loss of $75,000 in the paper used. The Minister of Finance should tell the newspapers they must sell their papers on a business basis before he will agree to apply pressure to the paper makers. Either a smaller paper and a one cent rate or a larger at two or three cents a copy. In this principle, he will have the support of 95 per cent. of the newspapers of the country."

The above was not off-hand advice of a theorist in an editor's chair, but was based on the actual experiences of a writer, who was associated with, and knew exactly what happened, to many similar combinations of manufacturers, covering in Canada, a period of 35 years.

The daily press, we have no doubt, conscientiously believe that the financial or trade paper is compelled to support leaders in its particular field, right or wrong. This is an entirely false impression. It no doubt arises from the inherent policy of the big dailies that they are at the call and bidding of party politicians or their big advertisers, that they must support them, right or wrong. Stewart Lyon, Chief Editor of The Globe, in an address a year ago complained bitterly of this, and wished for the day when editors of newspapers might be free to publish the news they liked, and be more free to express opinions they consider to be in the public's interests. Financial, trade and technical newspapers fought and settled this problem of control years ago. No advertiser, group, or clique can, or do, control their editors. These specialized newspapers have an advantage over the dailies in that their writers and contributors are all experts. They ought to, and generally do know, more about the subject than the majority of their readers. Their only consideration is what is true and right and not what is popular.

There are three classes of financial papers. The purely technical, published in the interests of professional financiers. The speculative, for the men who follow the daily ups and downs of the stock exchanges; the daily papers are in this class. The investment, the class to which the FINANCIAL POST belongs—for men and women who have surplus funds from salaries, business or other sources to put into safe permanent investment. Everything that affects the country and its business directly or indirectly, in the immediate or far distant future, is live news to them. For a great deal of the work done by the FINANCIAL POST, there is not space in its columns.

There are few days, when one or many verbal or mail inquiries are not received from investors, fram all parts of the world as well as Canada, for advice and information on Canadian investments. They come from heads of big corporations, wishing to know the latest information on the general business situation, down to men and women with a few thousands to invest.

EDITORIAL NOTES.

THE United States has a big problem in endeavoring to regulate exports to neutrals so as to prevent supplies reaching the enemy. It is necessary, however, that the lid should be put on at least until the leaks are stopped.

* * *

AN official French committee has been appointed to deal with purchases of reconstruction materials. Canada should be able to play a part in this rebuilding program. Particulars of the organization are given in this issue.

* * *

SIR HENRY DRAYTON is to be commended for his public-spiritedness in returning his salary to the national coffers. However, it should be no discouragement for other men of ability to seek or accept the recompense for public service to which they are entitled. The government needs the services of many big men who in turn need the salaries they earn—and they should be no smaller salaries than the same men can command in private life.

* * *

IN agricultural publications which generally take the attitude that cost of production is robbing the farmer of all the benefits of war time prices we frequently note such paragraphs as the following from an article in the Grain Growers' Guide:—

> "Good crops and better prices during two years have bought our thousands of automobiles, sent back to our rural districts thousands of head of cattle that at other times were exported, doubled and trebled the price of land in some districts where previously quarter sections were traded for Jersey cows and an extra quarter was thrown in if the man with the cow couldn't read."

COAL BARON WAS ONCE MESSENGER BOY

Left Private Affairs to Take Head of United States Fuel Committee and Has Brought Producers to Terms.

Francis S. Peabody is one of the big American capitalists and business men who have set their private affairs and interests behind them to serve their country in the war crisis. As chairman of the Fuel Committee of the Council of National Defence, he is given most of the credit for the new coal agreement which has brought order out of one of the most choatic conditions in industry before or since the war. He knows the coal business, and attacked the problem from the standpoint of that practical knowledge. Himself the president of the Peabody Coal Company, a concern to the upbuilding of which he has largely devoted his life's activities, he made the interests of himself and other mining companies subservient to the larger needs of the nation.

Peabody knows the bituminous trade thoroughly, having been successfully engaged in it for forty years. Prior to the last coal strike in the fall of 1915, he sold 3,000,000 tons to the railroads before anybody else knew they were in the market. Of his life and his work, the New York Annalist says:—

A native of Illinois, the great bituminous coal State, he inherited coal land wealth, but began his career as a messenger. Since he became one of the big operators, the biggest by far in Chicago, he has passed through three distinct periods of the trade with a fortune for each one of them—first, the freight rate rebate period, then the business depression, and next what he calls the Roosevelt era, when business ethics superseded profits. Now he is in a fourth period, when "the war is everything," and he will serve the Government even better than he ever served himself, his friends say.

Once he had 150,000 acres of coal land in his own name, the largest individual holding since the Revolutionary War. Last spring he bought for another interest 130,000 acres. He has been a political power in Illinois, but never ran for an office more important than that of Sheriff.

Mr. Peabody was born in Chicago on July 23, 1859, and got his schooling principally in Exeter and his science training in Yale, class of '81, S., and he began business life at the bottom rung, as a messenger boy for the New York Central and later for the Merchants' Loan and Trust Company, Chicago. His father was the late F. B. Peabody of the investment firm of Peabody, Houghtteling & Co., and he can trace his ancestry back on both sides through pure-blood American stock to 1660. His father inherited some New York property from Peter Stuyvesant.

The Peabody Coal Company of Illinois has been practically the same concern since 1884 under Peabody control, although the name has been changed a couple of times, never omitting the Peabody name from the company name. Mr. Peabody's only son, Stuyvesant, christened in honor of his distinguished but remote relative, but known to his friends and the coal trade as "Jack" Peabody, has just been elected President of the Peabody Coal Company. He is under 30, and is regarded as a certain success because he is "a chip of the old block." The Consumers' Company, of which Francis S. Peabody has been one of his most influential Directors, acting for a long time as Chairman, is one of the largest retail coal companies in the world.

Sentiment and Business.

"Peabody's assumption of no sentiment in business and of the mailed fist beneath a velvet glove," says George H. Cushing, editor of *The Black Diamond*, organ of the bituminous coal trade, "is just a pose. He is neither greedy nor harsh. He is distinctive, but he has absorbed some of the personalities of his two business heroes, Williams, the New York banker, and Samuel Insull of the Commonwealth Edison, who dominates most of Chicago's public utilities. He has a good deal of the former's mechanical precision on the main issue and of the latter's submerged humor. Peabody has had to play a grueling game and he can bring the mailed fist into play when necessary, but his humanity and good humor never recede far."

The Peabody idea of the present perplexed, overstrained coal situation differs from that of most people in the trade or out of it. It was succinctly outlined recently at a conference he had with a committee of the Brooklyn Chamber of Commerce in the office of Williams & Peters, 1 Broadway, New York. He urged co-operation of all coal interests in anticipation of Governmental requirements, which he predicted would be initially translated into maximum price legislation within sixty days. He explained the difficulty of adjusting this industry to war conditions and issued a warning against any attempt to extort excessive profits.

Handling a Buyers' Panic.

"Let me say first," said Mr. Peabody, "that one thing we are suffering from is a buyers' panic. If I could get everybody to stop buying coal for future use for two weeks, the price would drop $2 a ton. My advice to the man who wants coal for next October is to wait a month or so. In my opinion he'll not only get his coal, but get it cheaper. Not only are people buying more coal than they need, but they are duplicating their orders. A man who wants ten tons will order that amount from each of four dealers. When one delivers he will cancel the other three orders, but the orders on the books of four dealers at one time will have played their part in creating an excessive demand.

"In the matter of production, the officials of the United Mine Workers have given assurances that the miners will take fewer holidays, apply themselves to work, and get out as much coal as possible. The operators have agreed to do all they can toward maximum production. From 12,000,000 to 15,000,000 tons more anthracite than was produced last year will be produced this year.

"It is my opinion that within sixty days there will be Federal legislation fixing a maximum price for coal. Of course that will become the minimum price, but it will insure coal at what people are able to pay.

Export Problems.

"Consumers of anthracite have nothing to fear from export of coal, because anthracite has not been and will not be exported. We shall have to export much btiuminous coal, especially to Italy, France, and Argentina—to the last country because we cannot get essential nitrates from it unless we send coal—but there will be sufficient bituminous coal to meet all demands, so export should not cause a shortage of anthracite."

As illustrating Mr. Peabody's benevolence it is said he had four friends in the early days who were sent to the penetentiary—more because their affairs went wrong than for the wrong they did; at least, in Peabody's opinion. After they had served their time he gave each of them $10,000 on his own account, with a bit of advice. That is said to have been his one poor investment, but he meant right.

His men are loyal and for good reasons. One of his old clerks was sent to California for his health many years ago, and died there, and his widow has been drawing his full salary ever since.

Peabody is a student, a reader of solid books, mainly those on philosophical subjects, and he can quote freely from the modern German school of philosopher. His diversions are horseback riding at 6:30 A.M. daily—he has a fine stable—and occasional games of golf, in which he is distinguished on the links by a peculiar jog trot after the ball; also pool and poker for real money, $5,000 bets at times. So he is called "a good sport."

In conversation Peabody talks softly, but convincingly, without ever getting excited.

"When I come to the office," he says, "it is to trade, and I leave at home my feelings in regard to men. Prejudice is merely a wall around one's self."

Another Peabody theory about business is this: "No man ever made money in business unless people wanted to trade with him after he got to them."

PERSONAL

GEORGE B. FRASER, who has just succeeded the late E. B. Greenshields on the directorate of the Bank of Montreal, has been a partner in the big wholesale dry goods firm of Greenshields & Co. for many years, and on the death of Mr. Greenshields a few months ago, became the head of the concern. He was born in Scotland and came to Canada in 1875. Mr. Fraser is considered an authority in the dry goods world, and stands very high in commercial and financial circles.

LORD NORTHCLIFFE, whose status in representing the British Government in America has been somewhat uncertain, is devoting himself to the nation's business with characteristic energy. Since he has arrived in America he has practically accomplished his mission of consolidating the various war departments established in the United States. His methods at times have, it is said, been rash and no one has been spared. His results, however, have come quickly—quicker than a diplomat would probably have brought them—even though he has not made friends in the process. Northcliffe is fearless, and judges men and departments by results.

CAPT. PERCIVAL MOLSON, M.C., who met his death in action in France on July 4th, was well known in business and financial circles in Montreal. He was a son of John Thomas Molson, a grandson of Thomas Molson, a grand nephew of William Molson, founder of the Molsons bank, and a great grandson of Hon. John Molson, of "Accommodation" steamboat fame. A graduate of McGill deceased started his business career as junior clerk with the National Trust company and through energetic service moved up through various offices in that institution until he became Montreal manager. He was a shareholder in a number of Canadian corporations and interested in various real estate holdings.

H. W. BEAUCLERK, who has joined that select group of financiers and merchant princes who comprise the directorate of the Bank of Montreal, is one of Montreal's younger financiers, and has forged to the front very rapidly since coming to the city about ten years ago. An Irishman by birth, Mr. Beauclerk was educated in Europe, and spent some years in Chicago, before taking up his residence in Montreal. Mr. Beauclerk is vice-president and a director of the Belgo-Canadian Realty Co., which owns the Almy building, and is managing director of the company which owns the Transportation building. He was associated with the group, which re-organized the Brompton Pulp and Paper Company and is president of the new company. He is also a director of the P. Lyall & Sons Construction Company, and is associated with Mr. Lyall in shipbuilding venture on the Pacific Coast. Mr. Beauclerk is a son-in-law of Lord Shaughnessy.

CURRENT OPINION

BRITISH TRADE CORPORATION.
The Statist.

A declaration by the Corporation has been published to the effect that (1) its fundamental object is granting financial assistance to trade and industry; (2) it will not act as a competing contractor, trader, or manufacturer; (3) it has no exclusive privilege; and (4) it will not give a share of profits to its managers and board, as proposed by the deed of settlement, unless the shareholders consent. Fortified by this document, the Government was able to face a more reasonable House of Commons when the Board of Trade vote was brought in again on Thursday, and an amendment reducing the vote by £100 was withrawn, after a further unnecessary waste of Parliament's time. The whole affair is another example of the drawbacks attached to Government interference with business. The matter was badly mishandled by the Government, and the House of Commons was at its very worst in its pettish and irrelevant criticisms, some of the most absurd of which were uttered by men who might have been expected to know something about business.

CENSORSHIP TO BLAME.
Bracebridge *Gazette.*

The Financial Post is rather interesting in its admission that, without Quebec at all, the rest of Canada would defeat—Perhaps overwhelmingly—Conscription on a vote. *The Globe, The Star, The Mail and Empire*, and the like persist that Canada favors Conscription. Conscription is hated, detested, loathed, in Ontario and everywhere.

The Post says if people knew the facts they would rush to the colors. If that is true the whole failure of recruiting is due to the Censorship. By keeping people in the dark the cause of enlistment is ruined. The press censorship has therefore defeated its own plans. It has prevented adequate enlistment, according to *The Financial Post*. There can be nothing but the censorship to blame for people not knowing.

GERMAN EMISSARIES IN CANADA.
Kingston *Standard.*

In view of the continued talk in some quarters of opposition to conscription even when the measure is passed, it may be well to reproduce from *The Financial Post of Canada* the following significant and pertinent excerpt from its editorial of June 30, under the heading "German emissaries actively at work in this country." Says *The Post*:

"It is a fact, that some of those, who are persistently working against any further preparation in Canada, are allied with persons, who in turn are associated with powerful enemy interests. We hinted at this nearly two months ago. We have had most extraordinary confirmation of it, right here in Canada, this week. There are important reasons why we say no more on this at the present time; but it is just as true as any of the statements we have made in the past, which were then regarded as absurd, but since proven. The real facts must be brought before the people. We are satisfied a majority of them are opposed to conscription or other necesasry preparation; because they believe there is no danger. Primarily the British government, past and present, is to blame. They feared, and still fear, to let out the real facts."

This is a statement—and a warning—that cannot lightly be ignored; for we may be sure that a responsible publication like *The Financial Post* would not utter it were it not certain of its facts. Under the circumstances we must be more than ever on our guard against German spies and emissaries—must be more than ever on the alert to examine into the real reasons back of the opposition in some quarters to the sending of reinforcements to our struggling and suffering brave soldiers at the front.

REWARDS AND IRRITATIONS
Canada

We have previously voiced in *Canada* the strong feeling of dissatisfaction which exists among Canadians in khaki in regard to the distribution of military rewards and distinctions. The word "distribution" is really the keynote of the whole matter. In regard to acts of outstanding gallantry, by which the V.C. is earned, or field promotion in rank, there are no grounds of complaint; but other distinctions are very largely "distributed," and this on a plan which is to a great extent based on that of the British War Office. In the British Army there is quite as much dissatisfaction with the method of military awards as there is among Canadians. In the one case it has almost become a hide-bound tradition, whereas Canada—not being bound by any tradition—could have worked out a better plan.

The principle adopted is that a certain number of decorations, suitable for officers and men, is allotted to a corps or division. Each battalion commander is naturally anxious to get what he considers his share of these for his own particularly command. The idiosyncrasy of a commanding officer has a not inconsiderable effect on the number of distinctions awarded to his battalion. One man would very warmly recommend for a piece of work carried through or a risk run, while another, considering it an ordinary matter of duty, might fail even to mention it in his report. These matters of difference in judgment and temperament make it inevitable that the merit of distinctions awarded must largely vary.

There is, however, another factor which may impair the merit of rewards, which is that, under the present conditions of trench warfare, there is a tendency for "periodic" distribution. After a certain length of time another batch of distinctions becomes due. This period, in the case of an army corps, or even of a division, may have covered weeks of intense and stubborn fighting—such, for instance, as the fights for the craters at St. Eloi—or a period of relative quietude. Great deeds of endurance, of sacrifice, and of gallantry took place in the shambles of the St. Eloi craters; many distinctions were deserved by officers and men. But, under the system of "distribution" and of recommendation, it becomes almost impossible to make an at all adequate and satisfactory list of honors for the particular units engaged at such times of severe and desperate stress.

Consider the feelings of a man who survived days of incessant struggle against icy mud, hunger, and a hopeless fight against superior odds, when he sees ribbons on the breasts of men who, he knows have never been in an assault or repelled an attack, while he and his companions go ribbonless. Canada had a unique opportunity at the commencement of the war of adopting its own standard and its own methods for the conferring of decorations, and even now it is not too late to discard a system which is unsatisfactory and unsuitable for non-professional soldiers. The reform could be carried out by adopting a very rigid system of reports on personal services, which would be reviewed at the end of the war by a competent Board, who would have data in their hands on which to judge and compare the relative value to be attached to the opinions of the reporting officers. The final judgments of such a War Distinctions Board would avoid many of the anomalies and surprises which, under present conditions, give real cause for disgusted comment. In the old professional armies distinction came largely by seniority and often by favoritism. There is place for neither in our citizen armies, where merit, carefully and exactly judged, should alone count.

PRICE REGULATION BY THE GOVERNMENT

Some Experiences in Altering the Cogs of Supply, Demand and Price in Germany and United States.

Special to THE FINANCIAL POST by Agnes C. Laut.

WASHINGTON.—It looks as if the present war would revolutionize every phase of modern life before we are half-way to final victory. Women are doing work they never did before. War is assuming forms never known before—submarine, aeroplane, high explosives, long range guns. If gold continues to drain away to India and Japan, and Europe continues to pile up paper debts, and the war lasts another three years, whether we like it or not, we may all live to see new forms of money circulating, paper money, lead money, fiat money. Germany is on a fiat money basis to-day. Suppose Canada's debt goes up to six billions—what money basis will Canada operate on? I confess I can't answer that question. The future is to me a stone wall after this war, just as all that happened previous to August, 1914, is now so remote, it might as well be dated before the Flood.

But I confess in no respect is the future more of a stone wall than on the subject of the government regulation of prices, which all nations are now attempting and it may be added—which all nations are failing to carry through expeditiously and successfuly.

Price Regulation Failures.

It need scarcely be recalled to memory that price regulation of clothing and food was one of the abuses abolished in England in the days of Queen Elizabeth, and one of the abuses abolished in France during the Revolution. Of modern nations, only Germany has attempted to revive this old time government interference in private affairs, though the American Food Bill could be construed into price regulation if Hoover were uneconomic enough to try it, and Baron Rhondda in England is reported about to attempt something of the kind. As a matter of fact, not opinion, nor experiment, England did try price regulation early in the war on wheat and it was abandoned as likely to divert wheat from British ports; and England did try government regulation of ocean freight rates through the British Board of Trade; and they were found to be diverting traffic from British ports and had to be modified almost weekly.

We have a foolish idea that Germany by her price regulation has conserved her food supplies, and that the Allies by failing to enforce such regulation, have wasted their resources. No idea could be falser. There is less want among the Allies to-day than in Germany. In fact, there is no want among the Allies to-day. Where have you heard of troops quelling food riots as in Stettin, or of Allied generals complaining of lack of fats for their soldiers? These complaints come only from Germany and Austria, where food prices have been regulated. The long food lines where women and children stand for twenty-four hours to get their turn at a dish of putrid horse meat stew, exist, not in London, but in Berlin.

German War Profits.

"Madam," said a jeweller to a leather merchant's wife, who had come in to buy a very expensive pearl necklace in Berlin, "your family bought jewels worth only —— in American money —$200. How comes it in war time you contemplate buying —— what would be worth $10,000 in American money? " The woman answered that her husband was a hide buyer and that he had made such a huge fortune in war profits that from being petty dealers, they were now among the richest of the rich. The same story could be told of the whole agrarian party in Germany. All Germany's boasted price regulations have done is deprive the poor of a chance to buy cheaply and enable the rich to become richer. Two examples are enough—potatoes and ham. The season of 1916 was a bad potato year. While the German farmers got crops, they were not of a good keeping quality. The government had a fixed price—I forget what it was—somewhere around $1.50 to $2. The potatoes were thrust on the market and sold to the poor and the hungry at that price, in the hope of storing against want. They were not worth 10 cents, for they did not keep till Christmas. Then, when there was a real potato famine, the few good potatoes came out of hiding. Yes—ostensibly—they sold only at the government price. But before the man who ate them, got them, they had cost him $10 a bushel. The same of hams. Hams were regulated round 18 to 25 cents a pound; but not a ham had been seen in a certain section of Berlin for months. Finally, one came on the market. It was sold at the government price; but the man who got the ham to eat, paid for it exactly $45. That was in last November. The small farmer, the producer, got skinned. The profiteers, the sub rosa filibusters of trade, got the real cash.

Price and Conditions.

When the Food Bill was in progress through Congress, again and again the suggestion was made that if the farmer were guaranteed $1.50 for wheat, he would plant more wheat and the world would be secure from famine. This suggestion was chiefly sponsored by a public man, who has had much to do with fixing the prices of steel and farm implements; but the fatuity of the suggestion was evident in the market price of wheat. At the time he was suggesting $1.50 as a fixed price, wheat had risen in Chicago to $3. Yet the guarantee of $3 did not increase the planting of more wheat for the simple reason weather was bad and labor was non-existent.

The Government's effort to stabilize copper prices was another example of the failure of price fixing. I have already referred to the endless delays in red tape this ruling entailed. The price of copper was to be 16 cents plus a pound. Suddenly, the raw producers, the miners of the South-west, threatened strike. The Government found it could not obtain copper at 16 cents and raised the price to 25 cents.

The latest attempt at price fixing is in coal and oil. Now, any one who paid the extortion figures on coal last winter, and the robber prices for motor fuel last summer, must sympathize with efforts to hold the prices of coal and oil down; and if ever there are commodities on which prices ought not to be jacked up, those commodities are coal and oil. Both exist in boundless supply in the earth—far exceeding the world's possible needs for centuries. Both are taken without cost from the earth. "Price fixers" will tell you both are becoming exhausted; but this is twaddle. Ask John Rockefeller, who bases his entire fortune on the fact—as he puts it—"that God does not do a retail business but runs an exhaustless laboratory," manufacturing more than man can use right down in the centre of the earth. Ask the Bureau of Mines! They will tell you that the coal now mined is a mere scratch on the surface of the earth. Ask Henry Doherty, the second greatest oil producer in the world! Doherty's fortune has grown from gas wells and oil wells, which other men said were bankrupt but which Doherty opened to deeper levels. Yet here are prices for oil and coal voltaplaning out of sight; so the Council of National Defence and the Navy Department have ruled coal prices at $2.33 a ton and oil at a cut under $1.85 a barrel. Good! You say! Splendid! And so do I; but here is the rub. Do you think people in the Middle-west, who paid $20 a ton for coal last winter and people in the East, who paid $7.75, where they used to pay only $5—will consent to go on paying $20 and $7.75, when the Government and factories get coal for $2.33?

Where Are We Heading?

You don't need to be a prophet to foresee exactly where price fixing by the Government must lead. It must either break down altogether, as it has in the case of copper in the United States, as it has in all cases in Germany; or it must end in the Government administration of all industries on a purely cost basis; and that is socialism. I am not stating opinions. I am not stating arguments. I am stating facts; and it will be worth—as Tennyson predicted—" a cycle of Cathy"—to "see it through" as Mr. Britling saw it through, and to live to know exactly to what this entire change in our economic life is leading.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

A VENTURE IN MINES.

S. K., Kingston, Ont.—I purchased 2,000 shares Teck-Hughes on margin, paying $660, $20 of which was commission. When the stock went down I was called to deposit $350 and later $210, making a total of $1,200. I ordered the sale of 1,000 shares at 40 and the balance was sold at 55. The average purchase price was 76. Kindly advise what is coming to me, deducting brokerage and interest from January 1, to July 1, at 7 per cent.

From your enquiry it would appear that you assumed an obligation of 2,000 shares of stock for $1,520. The interest on the difference between this amount and $640, for six months at 7 per cent. would be $30.80. Selling commission would be in addition and as you do not state any definite figure, we have made it $20, the same as the buying commission. Thus there is a total obligation of $1,570.80. Against this you made three payments totalling $1,200; 1,000 shares were sold at 40 and 1,000 shares at 55, a total of $950; the total amount due you, therefore, is $2,150 less $1,570.80 or $579.20. We summarize your account as follows:

2,000 shares at 76.....	$1,520.00	
Interest	30.80	
*Selling Commission..	20.00	
First payment net..		$ 640.00
Second payment net.		350.00
Third payment net..		210.00
1,000 shares at 40...		400.00
1,000 shares at 55...		550.00
	$1,570.80	$2,150.00
Balance due	579.20	
	$2,150.00	$2,150.00

*Not stated, but put in same.

BROMPTON PULP.

Paper Investor—I bought some Brompton Pulp stock last fall. What is your opinion as to the likelihood of the stock selling at last November's high some time this summer?

Barring unforeseen developments, we do not see any prospect for such a rise in the price of Brompton Pulp shares during the summer. Both general market conditions and conditions affecting the pulp and paper industry itself are such as to make it extremely unlikely that there can be any marked improvement in the position of any of the paper stocks for some time to come. The tightness of the money market, induced largely by war financing, has depressed security values all round and at $50 to-day, Brompton shares are really worth just about as much intrinsically as they were at $70 last November. To this condition must be added the effect of the Government inquiry into newsprint prices, which is acting as a decided brake on any speculative interest in paper securities.

GOVERNMENT OWNED RAILROADS

Australian Rates Are Higher and Wages Lower Than Prevail in America.

By F. C. R. GORDAN
In The Boston Commercial

The socialistic railway system of Ne wSouth Wales, Australia, offers a very good illustration of the failure of Government ownership and management in a democracy. I say democracy, for nowhere else in the world is there more democracy than in the states of Australia and New Zealand.

The 3,968 miles of railroad in New South Wales cost the Government $298,359,912, or $75,202 per mile for capitalization. This is very high, the highest in Australia, and some $12,000 per mile above the average capitalization of the American railroads.

It is high, too, from another point of view, namely, that most of the lines run through a comparatively level country. Railroads in this country cost but little over $32,000 per mile to build and equip in the level plains of the West.

An examination of the financial operations of this Government railway system for the year 1914, that is to say, a year in which the war in Europe played no part, shows results that are far from satisfactory to the claims of the public ownership advocate.

The total receipts for that year amounted to $37,704,714 and the operating expenses were $26,345,823, leaving a balance of $11,358,891. (I should mention the fact that the fiscal year closed before the war began in Europe, so that calamity had no bearing whatever on the financial results).

Socialists and public ownership advocates will look at this $11,358,891 balance and at once exclaim that this sum represents the profits on operation. The fact must not be lost sight of, however, that operating expenses are only a part of the cost of a railway system.

Under public ownership there are no taxes, and this item, of course, should be accounted for. And, if the New South Wales Railway system had been in private ownership for the year 1913-1914 the state would have collected $2,400,000 in taxes.

Interest charges at only 4 per cent. would have required the sum of $11,934,496, showing a direct loss of almost $600,000 and, if we reckon the tax loss, a deficit of $3,000,000. But this does not show all the direct losses by a long shot.

High Freight Rates

There are two things that the people of any state require of their transportation companies, good service and reasonable rates. Now the freight rates in all the Australian states are very high, a fact, by the way, that your socialistic advocate never remembers to mention.

The freight rates in New South Wales average 1.74 cents per ton per mile, or about two and a half times the average in this country.

The people of New South Wales paid a freight bill of $21,418,245 in the fiscal year 1913-1914. This shows that if the people of that country had enjoyed as cheap freight rates as we have they would have saved more than $13,000,000, or more than a million dollars a month.

On the other hand, passenger rates are slightly lower in New South Wales than in this country, but this is largely due to the fact that there is a second and third rate with poor service. But, even taking this into account, we find that on the less than 4,000 miles of Government railways in New South Wales, the people lose more than $5,000,000 annually.

Lower Wage Scale.

I should also mention the fact that wages in New South Wales average $679.51 a year for railroad employees as against $810, for the same year, in this country. And lastly, it should be stated that the Government of New South Wales is almost entirely in the hands of the Labor Party all the time. The "capitalist" politicians therefore cannot be blamed for the failure of those lines. Comparing them with our railroad systems simply demonstrates the tremendous failure of Government ownership of the transportation system.

SITUATION BEING FACED BY PUBLIC UTILITIES

An Interesting Outlook on the Situation by Stone and Webster Expert.

An analysis of the situation facing the public utility operators has been made by Henry G. Bradlee, a member of the firm of Stone & Webster. Summarizing the conditions which he believes will prevail during the war, Mr. Bradlee, in the issue of "Stone & Webster Journal," says in part:—

"It appears that we may have for the first time in our experience, and continuing during the entire period of the war, a combination of conditions somewhat as follows:

"First: An unprecedented shortage of labor, materials and supplies, and consequently an abnormally high price for those actually available.

"Second: No new capital available for extensions and additions to property.

"Third: A condition of general industrial activity and prosperity with consequent demands for additional service.

"It is hard to imagine a more difficult combination of circumstances for a public utility, and it will require the combined ingenuity of the utilities to meet this situation successfully and furnish satisfactory service to the public."

To meet these conditions, Mr. Bradlee suggests: "The employment of women in the place of men who enter the army or leave for any other cause should be carefully considered. Experience in England and in Canada shows that women may be employed to great advantage in many departments of public utility work. They have been found particularly efficient, it is said, in some of the lighter mechanical work—for example, meter repairs and adjustments.

"The increase of one man operation of cars should everywhere be encouraged. In England women have been very generally substituted for men as conductors, and it is understood that they are also being used successfully as motormen. In this country the use of the one-man car is already started and has demonstrated its possibilities even on large double-truck cars. We are satisfied that all street railways will gradually change to one-man operation for most, if not all, of their business, and by so doing will be able to improve materially the service rendered the public. Such change at this time will meet our present needs and will be in line with probable future development. One man operation may, therefore, be considered far preferable to the use of women as conductors.

"An effort should be made to decrease the peak demand on public utility plants and to increase the load factor. As the war progresses, the public will obtain a much clearer knowledge of the needs of the situation, and undoubtedly the utility companies will be able to secure the cooperation of their customers and of the public authorities in their efforts to re-adjust the demand for peak load service.

"Renewals and replacements will have to be postponed in so far as this can be done without serious detriment to the service and without permanent injury to the property. This should be done because the cost of all such work at this time is excessive and because the surplus which the utility companies are able to accumulate from earnings may be the only fund on which they can draw for absolutely necessary additions to the property.

"It is suggested that all future contracts for power and that renewals of all existing contracts should contain a clause providing for a re-adjustment of the rate with changes in cost of fuel. The rate written in the contract should be based on a normal average fuel cost and adjustments made from this point as the price of fuel increases or decreases. It must be borne in mind that the price of fuel is largely dependent upon the general market price of labor and materials. It is, therefore, fair to assume that an increase in the price of fuel will be accompanied by a similar increase in general labor and material costs and provision for this should be made in the adjustment of the power rate."

POOR'S MANUAL OF PUBLIC UTILITIES.

Complete and up to date financial statements practically of every public utility company in the United States and Canada in which there is public interest are presented in Poor's Manual of Public Utilities, just issued. The book devotes 2,500 pages of text to the subject and is by far the largest and most comprehensive work of the kind published.

A feature of the Manual is the "Margin of Safety" over interest or dividend requirements of individual stocks and bonds. This Margin is a practical rating of securities based on the facts. It answers the first question of the banker before making an investment: "What is the risk involved?"

The Manual gives general information revised to May 15, 1917; income accounts and balance sheets as of December 31, 1916, and some as late as April 30, 1917. It is in every respect up to the high standard of other years.

The importance of this valuable work on the public utilities can best be judged at first hand.

WELFARE PAYS DIVIDENDS.

It is becoming more and more evident with the recapitulation of each year's work that corporation dollars invested in welfare, health and safety work for employees are yielding larger dividends than the balance sheets show, and are piling up a surplus of good feeling between employees and employers which is of inestimable benefit to both. Witness the statement of Daniel Guggenheim, president of the American Smelting and Refining Company, one of the large corporations which has learned its own lesson that a corporation, toward its employees at least, cannot be souless and successful at the same time. The corporation spent $504,000 for work among the employees last year, of which $150,000 was for building and improving company houses; $210,000 for welfare, recreation and health; $85,000 for safety, $150,000 was for building and improving insurance, in addition to adding $275,000 to the pension fund.

THE PUBLISHERS' ATTITUDE ON THE PAPER INQUIRY.

Continued from page 9

by the selling company, or whether artificial means are not used to stimulate prices.

As to Regards of Cost.

"The charge of falsifying the records of cost is based on the fact that one mill submitted a set of figures showing a profit on newsprint for the past three years, and then submitted a second where a loss was shown. They expected that the first statement would be returned to them, and none of the mills probably looked for the figures to be made public. The cross-examination by Mr. Tilley brought out the fact that there had been a meeting of the manufacturers and that what was called an "arbitrary" price was agreed on, $50 a ton for sulphite pulp, and $25 for ground wood. This was on the basis of the price they would have had to pay in the open market if they had had to go out and buy, instead of making the pulp from the raw material on their own limits. As a matter of fact the price they agreed on was a false one. What we claim in regard to their limits is that they should allow for a fair profit on the whole process of manufacture from the wood standing on their limits to the paper. The Abitibi company pays only $5,000 a year in a lump sum to the Government, and in addition 40 cents a cord in one case and 20 cents in another for the wood according to measurement. In spite of this low cost the limits of the Abitibi mill were capitalized at over $3,600,000. Why should the newspapers of Canada pay the cost of paper based on a capitalization of the public limits that were given to these mills at so small a price?

"You ask why the papers are devoting so much space to a matter that concerns themselves alone. As a matter of fact the papers give less space to their own affairs than to those of any other class. They hate talking 'shop.' If this had been an investigation into any other article, not only foodstuffs in which all the people are interested, but steel for example, and the same sensational facts had come out that manufacturers had met and agreed upon a false set of figures, the papers would have played it up in seven-column headings.

"There is one point more. There seems an impression that the Commissioner will fix or try to fix a price by a recommendation. This we claim he has no power to do. All that he was appointed to do was to investigate the manufacture, supply, sale and price as regards the present and the past; with the future he has nothing to do; that is for the Government."

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THE BOND BUYER

25 WEST BROADWAY NEW YORK, N.Y.

Inside Information for Local Bank Managers

SUPPOSE a customer of yours went to you and said: "I think it will pay me to buy a carload of sugar, and if I do, I'll need some accommodation." What do you, a bank manager, know about the sugar market? And would you agree or disagree with your grocer customer?

Suppose this suitor for accommodation is a hardware dealer, or a manufacturer of textile products, or of products using iron and steel. He leans on you for advice and help. Perhaps he may be quite right in his views as to the wisdom of buying; perhaps all wrong. But you, his bank-manager should be able to help him—this by granting the accommodation desired, or refusing it. All of which means that you ought to have on hand for consultation purposes these five comprehensive business papers:

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NEWS OF THE BOND MARKET

CAN ANOTHER WAR LOAN BE STARTED SOON?

Security Houses Feel That Difficulties Would be Great.

MONEY IS SCARCE NOW

Last Loan Not Yet Assimilated—Could Not Loan Be Negotiated on the American Market?—Details of Present Situation

The chief point of interest in the security market is the probability of another war loan being launched in the late summer or early fall. The money is needed and it has been definitely stated that a loan is forthcoming. Security houses are divided, however, on the score of the possibility of successfully launching another loan. Some are convinced that it is impossible under present conditions.

The first factor in the situation is that money is scarce. There is little business being done on the bond market. Despite the fact that gilt-edged stuff is being offered at prices to yield over 6 per cent., there is no trace of activity in the demand, proof positive that the amount of money available for investment is not great.

The second is the unfavorable market which developed on the last Government war loan. Although the amount was over-subscribed, the market took a downward turn and even reached as low a point as 93¾. It has since gone up safely over 95 and the market at time of writing is firm with little offering. It is certain, however, that the loan is not yet thoroughly assimilated. Another drop in the price would certainly bring plenty on to the market again. The advance to the improved position of to-day can, furthermore, be traced to certain specific causes, one of which undoubtedly was the rumor of an impending income tax. Investors turned to the war loan as the only investment exempt; others, who had been unloading their holdings decided to hold on after all, in view of the income tax contingency. There can be no doubt that the story came directly from Ottawa and from authoritative sources. Whether it presages definite and early action toward the imposition of a Federal tax on incomes is not at all clear, however. It may have been started with a view to "firming up" the market on the war loan. If such were the case, it has accomplished its purpose. On the other hand, it is assured that an income tax is coming sooner or later and it is not improbable that it will come sooner than has been generally expected; and back of the rumor may be the probability of an early announcement.

Try American Market

Some security houses say emphatically that the idea of launching another loan this fall on the Canadian market is one that should not be entertained; certainly not, unless the Finance Minister is prepared to put it on a different basis than the last one. They urge that it should be possible to put a loan on in the United States of sufficient size to cover our needs until after the first of the year when the Canadian market would be ready for another successful effort. Although the American Government will soon launch another Liberty Loan—it would not be a serious matter for the market there to absorb the comparatively small amount that would see us over our present difficulties. It is felt that negotiations with Washington would bring about the necessary consent to this step despite the clamor of politicians that all money raised in the United States must be spent over there. There is a very friendly feeling amounting to admiration, for Canada in the United States, and that this feeling would predispose the Government at Washington favorably regard a proposition to launch a loan there, is quite certain. The whisper goes that Sir Thomas White is persona non grata in certain very influential quarters over the line and that this would block any effort toward the end of a Canadian loan on the American market; but unquestionably this difficulty, if it really exists, could be overcome.

The security houses, where this view prevails, contend that the only other alternative would be to put out the loan here on terms more favorable to the bond houses, enabling them to extend their sales efforts. Unquestionably the bulk of the previous loans has gone each time, to the same sources, the institutions and the big private investors. It is doubtful if another loan coming this fall would be absorbed in this way and it would mean that a larger per centage would have to be sold in small lots. This would mean increased sales costs for one thing. It might be that an extensive canvass of the farmers would be necessary to bring in the amount of money required.

Other security houses feel that Sir Thomas White could launch a loan again this fall and that the country would take it up. They agree, however, that it would be necessary to limit the amount asked for and to make more favorable terms. The announcement that the next loan would not be exempted from income tax is regarded as merely tentative, the feeling being that the exemption clause would be absolutely necessary to effect a successful issue.

In the meantime the advances that the banks are making to the Government are cramping the banks with the result that industry is being handicapped. It is extremely difficult, in fact, to make the money available in Canada go around for all purposes. This condition points the need for an early decision as to the nature of the next war loan. The hope runs very strongly in many quarters that Sir Thomas will see the advisability of broaching the proposition of an issue on the American market.

Features of the Week

The feature of the week has been the strengthening of the war loan. There is an under-current of uneasiness with reference to the possibility of another loan coming on the market this Fall but the distinct improvement in regard to the last loan has caused a somewhat more cheerful feeling generally. The market, however, is dull. Little business is being done comparatively speaking, although anything in the nature of a bargain is quickly taken up. It is so apparent that money is scarce that a very cautious attitude is being adopted with reference to new issues and it is not likely that much will be offered.

THREE COURSES OPEN.

How the Next War Loan Could be Handled.

Regarding the proposal for another Canadian war loan, the following view of the situation is expressed by the Wall Street Journal:

> Two months hence Canada will probably issue its fourth war loan. Finance Minister Sir Thomas White has already intimated that, conditions being favorable, the issue will be made in the early fall. There is still some doubt as to whether it will be a domestic loan, as were the three previous war loans, or whether an effort will be made to have the loan subscribed through Liberty Loan funds. A third contingency is a simultaneous issue in both countries.
>
> However, the signs are that Canadians themselves will subscribe their next war loan. While some little pessimism is shown by certain bankers and borkers regarding the outlook, this has been caused largely by the difficulty in selling any kind of bonds while the Liberty Loan had the right of way in the American money markets, and the London market continues closed to all except Imperial war loans. A careful canvass of the situation indicates that Canada should be able to fully subscribe its fourth war loan, especially if it gets the usual amount of American subscriptions, about $25,000,000 of which were subscribed to the first and third loans, and $30,000,000 to the second loan.
>
> One of the strong reasons for financing of Canadian war loans at home is a desire to have the war debt held as largely as possible in the Dominion.
>
> The fourth loan will probably be not less than $150,000,000. In addition to reaching those who have subscribed to the three previous loans, strong efforts will probably be made to reach many small investors and private corporations who have not subscribed to any of the war loans to date.

THE SURPLUS SUBSCRIPTIONS.

What May be Done With the Over-subscription of Liberty Loan.

A Washington despatch states that as a result of the general readjustment of the income and excess profits taxes by the Finance Committee, the revenue to be raised in this way will be lower than the requirements of the Government, and arrangements have been made to take care of the additional amount by the floating of a loan. Some time ago, Senator Simmons predicted the result which is now in evidence. At that time he indicated that a majority were in favor of raising part of the revenue by means of Government bonds. Secretary McAdoo was strongly opposed to that method at the time, but he has lately come around to the view that the over-subscription to the Liberty Loan might be used in this way. It is probable that the large subscribers to the Liberty Loan, who will get less bonds than the number for which they subscribed, will be asked to credit the extra amount to the loans for direct purchases by the American Government. This is the plan that the Finance Committee has in mind. The committee apparently is going to report the bill without any further changes of a fundamental character, and there is confidence among the members that the unanimous report of the committee will insure ultimate adoption of the bill, virtually as it stands, by the members of the Senate.

BORROWERS OF MONEY ARE IN HARD POSITION

Scarcity of Money Found on the American Market as Well.

SITUATION UNSATISFACTORY

Situation There Unsatisfactory—Inability to Place Issues Successfully Has Led to Wholesale Curtailment.

The demands of war and the rapidly increasing demands of industry are baring the continent of money. For some time money has been very scarce in Canada and as a result a number of flotations of provincial municipal bonds which had been projected, have been withdrawn. In other cases they have been offered and no bids have been made. The result is that municipalities are finding it necessary to economize and projected improvements are being postponed.

Similar conditions exist in the United States. In this connection the Daily Bond Buyer says:

> The position of the municipal borrower since April first has been an unpleasant one. Many counties, cities and towns have offered bonds with no success and thus the construction of various public works, dependent upon these bond sales for expense funds, have been delayed and in some instances abandoned. Furthermore, the outlook does not promise an early improvement, but indicates that all public borrowing arranged for some little time to come must be at rates considerably higher than municipalities have become accustomed to paying for several years.
>
> The following table, compiled from reports to *The Daily Bond Buyer* of New York, shows the sales of state and municipal bonds for June and the six months' period ending June 30th for ten years:

	June	Six Months
1917	$ 29,302,954	$219,685,237
1916	42,818,424	284,308,442
1915	104,687,010	317,156,056
1914	40,250,140	318,344,620
1913	26,112,518	221,787,645
1912	46,058,657	263,380,860
1911	78,977,026	275,668,950
1910	17,272,974	149,864,554
1909	62,580,487	210,553,018
1908	32,144,667	177,021,926

> In the first half of 1917 the states and municipalities of the United States issued new bonds for permanent public improvements to a total par value of $219,685,237. In the corresponding period of 1916, total sales of such securities were $284,308,442. The ten-year average of sales in the January 1—to July 1 period is approximately $244,000,000.
>
> Municipalities have experienced unusual and unsatisfactory market conditions this year. In January there was an especially keen demand for municipal issues, which carried market values back to the high level of ten years ago.
>
> The excellent credit of the larger cities was expressed by sales of their bonds on an income basis as low as 3.70 per cent., and the prospect of 3½ per cent. city bonds was entertained quite seriously by bankers. This favorable situation was abrubtly changed about February first, when the German submarine warfare announcement was made to the world, and with each succeeding development in the war, from the severance of diplomatic relations between Germany and this country down to the flotation of the Liberty Loan, municipals and other securities have steadily declined. At the close of the six months period, says the authority referred to above, the biggest cities find it necessary to increase interest rates on new bond issues about one-half of one per cent. over those at which funds were readily borrowed at the beginning of the year in order to attract lenders.
>
> The most important issue during the half year was that made by the State of New York on April 5th. An issue of $25,000,000 4's was awarded to a New York banking syndicate at 104.817, a basis of 3.784 per cent., which soon proved to be an exceptionally good offer, New York State bonds having declined steadily since this issue came into the market.

CONVERT HOLDINGS.

Announcement With Reference to Proposed War Loan.

A statement given out at Ottawa from the Finance Department this week read:

"The improved position of Dominion war loan securities has brought forward the question of the permission to convert original holdings into any new issue."

It is understood that in future issues holders of the last two issues of Dominion war loan securities, those maturing in 1931 and 1937, will be allowed to convert their holdings at the original issue price and accrued interest into any issue which may be made with a maturity of twenty years or more. The Minister of Finance, it is known desires that the early subscribers to Federal war issues which had no right of conversion shall be placed in as good a position as others who may subscribe to future war loans.

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Dominion of Canada 5% War Loan

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DEBENTURES FOR SALE.

Town of Trenton, N.S.

TENDERS for DEBENTURES

TENDERS will be received by the Town of Trenton, N.S., up to noon, July 20th inst., for the following Debentures, all 20-year bonds, and in $500 denominations, interest at 5 per cent., payable semi-annually, at the Office of the Town Clerk:

1—$15,000.00 Paving Debentures, due July 2nd, 1936.
2—$10,000.00 Sidewalk Debentures, due July 2nd, 1937.
3—$5,000.00 Fire Department Debentures, due July 2nd, 1937.
4—$5,000.00 Water Extension Debentures, due July 2nd, 1937.

The highest or any tender not necessarily accepted.

WILLIAM FRASER, Town Clerk.
Trenton, N.S., July 4th, 1917.

$30,000.00 City of Rossland, B.C.

SCHOOL DEBENTURES

SEALED Tenders, marked "Tenders for Debentures," will be received by the undersigned up to 5 p.m. on Tuesday, August 14th, 1917, for $30,000.00 City of Rossland, British Columbia, School Debentures. Debentures will be for 20 years, bearing 6% interest. Principal payable at end of term. Interest coupons will be attached. Denominations $500.00. Interest payable half-yearly, March 1st and September 1st. Principal and interest payable Bank of British North America, Rossland, B.C.; Toronto, Ont.; New York, U.S.A., and London, England. Debentures bear interest from March 1st, 1917. Issue will bear Certificate of Provincial Municipal Inspector of British Columbia.

The highest or any tender not necessarily accepted.

J. A. McLEOD, City Clerk.

Village of New Toronto, Ont.

SEALED Tenders will be received, addressed to the undersigned, up to or before July 27th inst., for the purchase of $50,000 thirty-year 6% debentures of the Village of New Toronto, Ontario. This issue is to provide for additions to the municipal waterworks system, an increased capacity being necessary to supply newly built factories, including Goodyear Tire & Rubber Co., Brown's Brass and Copper Mills, Dupont Fabrikoid Company. The highest or any tender not necessarily accepted.

F. R. LONGSTAFF,
New Toronto, Ont. Treasurer.

EASTERN BONDS.

Prices at Which Various Maritime Province Municipals Are Quoted.

A line on current prices of maritime province municipals is given in the latest list of offerings issued by J. C. Mackintosh & Co. The following city, town and county issues are quoted:

Place	Rate	Due	Price	Yield
Halifax, city.....	5%	1951	95	5.33%
Halifax, city.....	5%	1950	95	5.33%
Charlottet'n, city.	5%	1937	94	5.50%
Lunenburg, mun..	5½%	1947	100	5.50%
Shelburne, c'nty..	6%	10-ins.	..	5.50%
Dartmouth, town.	4½%	1931	90½	5.50%
Truro, town ...	4%	1939	81	5.50%
New Glasgow	4½%	1954	84¼	5.50%
Kentville	5%	1934	94½	5.50%
Liverpool	5%	1931	95	5.50%
Trenton	5%	1945	89⅝	5.75%
Windsor	4%	1919	96¼	6.00%

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Joint General Managers: R. S. Hudson, John Massey
Superintendent of Branches and Secretary: George H. Smith

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,000,000.00
Investments	32,264,782.81

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LEGAL INVESTMENT FOR TRUST FUNDS.

FIELD OF MUNICIPAL FINANCE

INVESTIGATION OF METHODS DECIDED UPON

Montreal Council Votes Sum to Pay for Civic Enquiry.

REFORMS LOUDLY DEMANDED

Deficit That Faces City Has Aroused People — Civic Improvements Must Stop for Lack of Money.

The situation in Montreal is still very uncertain and no solution has yet been found for the financial difficulties experienced there. The situation is this: An effort to float a new bond issue failed and the Bank of Montreal arranged to advance the city the sum of $500,000 to cover civic expenses until the end of July. It became apparent, however, that this amount would not suffice and the Board of Control asked the bank to increase the loan to $1,000,000. This request was refused, as reported in last week's FINANCIAL POST.

As a result of lack of sufficient funds the city has been compelled to stop work on certain improvements which had been commenced and to postpone other expenditures which had been contemplated.

The result of the deficit thus faced, the civic authorities have decided to institute measures of strict economy. Growing out of the discussion of financial matters, the City Council has voted an appropriation of $18,000 to cover an expert inquiry by the Bureau of Municipal Research of New York into the organization methods and working of all the civic departments and services of the corporation of Montreal.

In the meantime the newspapers and a good part of the public at least are clamoring for more efficient civic methods. An editorial this week in the Montreal Star, is typical of the attitude that has been taken, and is worth quoting:—

"As long ago as 1913 the City Treasurer in his annual report, prophesied that there would be trouble in store for the administrators if there was not more "caution" exercised in expenditure.

"His words are well worth quoting now the treasury is completely empty, and a three million dollar deficit is staring the city in the face. The Treasurer's warning was:

"Under the circumstances caution is necessary in the capital expenditure of our city; only the most urgent improvements should be carried out for the present." The intimation was also very plainly given that, if there was not a change to much different conditions, the time was not far distant when there would have to be "an increase in the rate of property assessment."

"This warning, and many others, having been completely ignored it is now actually being urged by more than one of the Controllers, and by members of the City Council, that there should not only be heavier taxes imposed on realty but on a score of other things as well! A table has already been compiled by a Controller, and published, which shows that if the water tax was "raised" from four to five per cent. the move would bring an additional quarter of a million into the treasury—the masses, of course, being poorer by that exact sum!

"Just what inefficient and corrupt civic government really means is now realized with expressing vividness."

VERDUN CHANGES BANK.

Home Bank Offered City Better Terms Than Were Being Secured.

Instead of changing its policy to meet the views of its bankers, the City Council of Verdun has changed its bank. The council will now proceed with the work of laying the underground conduit system, for which there is an authorized loan of $225,000. The city's bank advised the council that the present was not the time to proceed with works that were not an absolute necessity.

The city was offered a loan of $160,000 in instalments of $40,000, the bank to hold the $225,000 bond issue as collateral, and loan the money for three months, it being felt that the present was not a propitious time to float bonds. Not being satisfied with this offer, the special committee of the council which was entrusted with the duty of carrying on negotiations, interviewed the Home Bank, and secured an offer of the same amount for a period of six months, the bank only asking for $200,000 of the bonds to be turned over as collateral.

The extra three months was the determining factor in the case. The change was made on the motion of Ald. Cohn, and was supported by all the aldermen except Ald Crowder, but was opposed by Mayor Leclair, who expressed the opinion that the time was not opportune for a change of banks. His view was endorsed by Ald. Crowder, the latter remarking that the present was no time to spend money for the beautifying of Verdun.

Ald. Mayberry took the ground that even if the old bank had treated the city well, it had made good money by doing so. "The manager has no business to tell us how we are to spend our money," he said.

DROP BUSINESS TAX

Winnipeg May Substitute a Form of Income Tax.

Many radical changes in the system of assessment and taxation in Winnipeg are recommended in a report made to the City Council by the Board of Valuation and Revision, appointed by the council last year.

Chief among many changes suggested is the abandonment of the business tax, and a recommendation for an income tax in its place. The report maintains that a business tax, based on rentals, cannot be expected either to relieve the burden of taxation on real estate or to increase the civic revenue.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

July 7, County of Lambton.—$54,000, 5½ per cent. interest yearly debentures of County of Lambton, principal payable in 4 yearly instalments. H. Ingram, County Treasurer, Sarnia, Ont.

July 7, Halton County.—$74,000, 5 per cent. 20-year debentures of the County of Halton, Ont.

July 12, Kitchener.—$20,000, 6 per cent., 5-year patriotic debentures and $7,000 6 per cent, 3-year soldiers' insurance debentures of the city of Kitchener.

July 16, Wilkie, Sask.—$6,000, 7 per cent., 20-instalments waterworks debentures of the town of Wilkie. T. A. Dinsley, Town Clerk, Wilkie, Sask.

July 16, Petrolea.—$15,000, 6 per cent., 20-instalment hydro-electric extension debentures of the town of Petrolea. John McHattie, Town Clerk.

BY-LAWS TO BE VOTED ON.

July 3, St. Marys.—An agreement to be effected between the corporation of the town of St. Marys and the Thames Quarry, whereby the Quarry Co. shall be given a bonus of $5,000 by the town, on carrying out certain provisions.

BY-LAWS PASSED.

July 4, Galt, Ont.—$7,000 for improvement of Water street, part of which is a country road. Passed by the County Council.

DEBENTURE NOTES.

Saskatoon, Sask.—The city has decided not to carry out any work involving capital expenditures this year; therefore the sale of debentures will be unnecessary.

SASKATCHEWAN.

The following is a list of debenture applications granted by the Local Government Board from June 25th to June 29th, 1917:

School Districts.—Meryton, No. 3889, $2,000; *Bird's Eye View, $600; *Wymark, $2,000; *Olga, $500; *St. Eloi, $280; Colonsay, $7,000; Fairyland, $1,900; Quill Lake View, $1,200.

*Being sold by the Local Government Board.

Rural Telephone Companies.—Beatty, $4,800; Rock Creek, $2,700; Wiseton, $20,500; St. Boswells, $8,800; Plymouth, $2,100; Bothwell, $5,800; Great Deer, $3,200; Perdue, $45,400; Sceptre, $22,000; Wartime, $12,700; Plenty, $26,000.

BOND SALES.

$1,500 Bell Telephone at 94½; $1,000 Canada Cement at 97; $2,300 Cedar Rapids at 86; $1,000 Dominion Cottons 98½; $1,000 Dominion Iron at 37; $1,000 Dominion Textile, Series B, 99 to 98; $1,000 Montreal Trams. debs. at 74¾; $1,000 Penmans at 87½; $1,500 Price Bros. at 83; $3,000 Quebec Rly. at 57; $1,000 Steamships debs. at 77; $7,000 Sao Paulo at 80; $1,000 Sherbrooke Rly. at 73; $58,300 War Loan (1925) at 98 to 97⅜; $184,500 War Loan (1931) at 95¾ to 94¼; $466,700 War Loan (1937) at 95¼ to 94¼.

EXPECT SMALL SURPLUS

Calgary Financiers Look for Balance in 1917.

Calgary's 1917 tax rate has been fixed at 26½ mills on the assessment of $78,954,240, as compared with the 1916 rate of 21½ mills on an assessment of $83,144,794. The mill rate this year will produce $2,092,287, to which must be added the business tax estimated at $87,280, and sundry revenue estimated at $278,563, making the total estimated revenue $2,458,140. From this must be deducted tax discount estimated at $90,000 and the deficit of $12,208 from 1916. This leaves the net estimated civic revenue for this year at $2,355,931. The total estimated expenditure for 1917, including all charges on which the mill rate of $26.5 is based, is $2,355,831, from which it will be seen that there is an estimated surplus of $100.55 for 1917, based on the commissioners' figures.

According to a report recently furnished the Calgary commissioners by City Treasurer Mercer, on approximately $621,000 loaned out of the city's sinking fund and secured by mortgages on Calgary buildings and property, there is a total of $108,943 due to the city on arrears of interest, taxes, insurance and principal.

DEBTS TO MONTREAL.

City Treasurr Says a Total of $270,000 Is Owing.

According to a statement laid before the Montreal Board of Control by City Treasurer Arnoldi, five local corporations are indebted to the city for an amount which aggregates $269,984. The largest of the amounts is owing by the Montreal Tramways Co., whose obligation is given at $195,645. The Montreal Light, Heat & Power Co. owes $28,299; the Montreal Public Service Corporation, $21,940; the Canadian Pacific Railway Co., $22,164, and the Dominion Gresham Co., $1,936.

ST. CATHARINES SALE.

Big Block of Debentures Awarded on Joint Account.

Debentures of the city of St. Catharines amounted in all to $291,649, maturing at from 5 to 30 years, were awarded on Friday, July 6, to the Canada Bond Corporation at 95,822, which makes the price paid $279,465.71, and puts the sale on a yield basis of 5.98. This is deemed a good price in view of the fact that in a number of cases recently municipalities have been compelled to withdraw projected issues from the market, the bids not being considered satisfactory.

The issue has been taken on joint account by the Canada Bond Corporation, W. A. Mackenzie & Co., and R. A. Daly & Co.

The list of tenders is as follows: Canada Bond, 95.822; Brent, Noxon & Co., 95.81; Macdonald, Bullock & Company, 95.75; W. A. Mackenzie & Company, 95.60; R. A. Daly & Company, 95.45; Mulholland, Bird & Graham, 94.91; Wood, Gundy & Company, 94.589; Imperial Bank, 94.42; R. C. Matthews & Company, 94.50; A. E. Ames and the Dominion Securities jointly, 94.377; C. Meredith & Company, Montreal, 92.51 for $76,000.

The Township of Toronto's issue of $15,000, 5½%, 20-instalment was awarded to MacNeill and Young at 97.34.

AWARDS COMING.

Several Issues to be Cleared off Within Next Few Days.

Several issues which have been pending will be cleared up this week. Burlington's offer of $45,000, 6 per cents., 30-instalments, which was first put forward at 5½ per cent., was to have been decided on Tuesday of this week but the tenders were held over. An award is now announced for today (Friday).

Lindsay's issue of $60,000, 6 per cent., 20 years, will be awarded today.

Halton and Carleton County issues will be awarded on the 17th and 14th respectively. The Halton issue is for $74,000, 20 years at 5 per cent. Carleton County is offering $20,000, 20 years at 5½ per cent.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Purchaser	Date	Place and Purpose.	Rate	Term	Amount	Price	Basis
Goldman & Co., Regina	June 30	Simonson, S.D., Sask.	....	.....	$1,900	....	....
Goldman & Co., Regina	" 30	East Fairwell, S.D., Sask.	....	.....	1,700	....	....
Goldman & Co., Regina	" 30	Courcellette, S.D., Sask.	....	.....	1,600	....	....
Wood-Gundy & Co., Saskatoon	" 30	Lloyd, S.D., Sask.	....	.....	250	....	....
Nay & James, Regina	" 30	Los Angeles, S.D., Sask.	....	.....	700	....	....
Nay & James, Regina	" 30	Green Bay, S.D., Sask.	7%	15-ins.	15,800	....	....
W. L. McKinnon & Co., Regina	" 30	Leipzig, R.T., Sask.	7%	15-ins.	15,500	....	....
Sterling Bank of Canada, Regina	" 30	Paswegian, R.T., Sask.	7%	15-ins.	2,700	....	....
Nay & James, Regina	" 30	Eagle Hills, R.T., Sask.	7%	15-ins.	9,500	....	....
Rosetown Sinking Fund	" 30	Zorra MacNutt, R.T., Sask.	7%	15-ins.	864.46	....	....
Duck Lake Sinking Fund	" 30	Zorra MacNutt, R.T., Sask.	7%	15-ins.	683.59	....	....
Regina Public School Sinking Fund	" 30	Zorra MacNutt, R.T., Sask.	7%	15-ins.	1,451.95	....	....
W. L. McKinnon & Co., Regina	" 30	Earl Grey Sylvan, R.T., Sask.	7%	15-ins.	10,900	....	....
W. L. McKinnon & Co., Regina	" 30	Willsmer, R.T., Sask.	7%	15-ins.	6,700	....	....
G. T. Brander, Regina	" 30	Instow, R.T., Sask.	7%	15-ins.	15,500	....	....
Kerr, Flemming & Co., Regina	" 30	Mawer, R.T., Sask.	7%	15-ins.	18,000	....	....
Goldman & Co., Regina	" 30	Abbey, R.T., Sask.	7%	15-ins.	20,700	....	....
J. A. Thompson, Winnipeg	" 30	Fallowmead, R.T., Sask.	7%	15-ins.	4,000	....	....

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Guaranteed Annuities, Payable Monthly

A policy that secures to the beneficiary a definite income payable in monthly instalments throughout life is the ideal life assurance contract. Such an income is guaranteed for twenty years under Mutual-Life-of-Canada contracts issued on the Life, Limited Payment Life and Endowment plans. The income will be increased by an interest dividend during the twenty years of guaranteed payments. Write for our booklet—"Policies Providing Guaranteed Annuities Payable Monthly." Full particulars of any desired plan may be secured by giving age of the prospective beneficiary as well as your own.

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO ONTARIO
ASSURANCES, $109,645,581 ASSETS, $29,361,963 SURPLUS, $4,595,151

British Colonial Fire Insurance Co.
2 Place d'Armes, Montreal
AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
SURPLUS TO POLICYHOLDERS, $1,820,752.82
A Canadian Company Investing its Funds in Canada
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Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

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Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
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Total Benefits Paid 42 Million Dollars

FRED J. DARCH, S.S., E. G. STEVENSON, S.C.CR., Temple Building, TORONTO.

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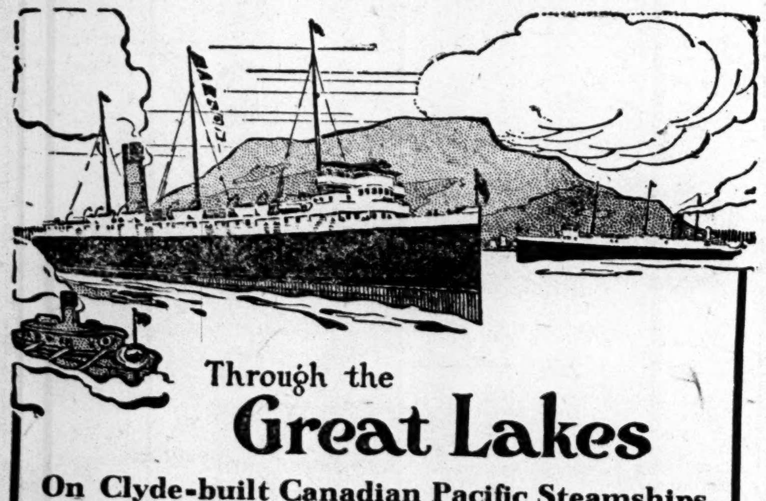
Any subscriber to The Post may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially, and answered by mail.

This service is free to subscribers, but inquirers should enclose stamp reply.



Through the
Great Lakes
On Clyde-built Canadian Pacific Steamships
A delightful diversion in a cross-continent journey

This route traverses Georgian Bay, crosses Lake Huron, passes through the locks of Saulte Ste. Marie, and thence sails the length of grand old Lake Superior, famed for its rugged headlands and romantic scenery.

No ocean-going steamships have more luxurious accommodations than those of the

Canadian Pacific Railway
GREAT LAKES STEAMSHIP SERVICE

Steamship Express leaves Toronto 2.00 p.m. Wednesdays and Saturdays, making direct connection at Port McNicoll.
Full particulars from Canadian Pacific Ticket Agents.
W. B. HOWARD, District Passenger Agent, Toronto.

INVESTORS' INSURANCE NOTES

LIFE COMPANIES DISTRIBUTORS OF GREAT WEALTH

Total of $758,500,000 in Canada and United States.

SOME INTERESTING FIGURES

Largest Policy Paid Was for $1,525,000—Biggest One in Canada Was $117,000—Payments in Leading Cities.

Life insurance companies in the United States and Canada distributed the sum of $758,500,000, according to figures computed by the Insurance Press. Payments for death claims, matured endowments, and other benefits, amounted to $476,000,000. The aggregate amount paid by companies to policy holders, who lapsed or surrendered their policies, fell considerably below the 1915 record, indicating an improvement in general business conditions.

Nineteen sixteen was the greatest year in the history of life insurance in the United States as regards the amount of new business written. In Canada, it was close to the biggest year the Dominion has known. The total new business in Canada was $231,000,000. Already in 1917 the demand for life insurance is beyond all precedent. It is said that 87 per cent. of all the estates left in the United States consist solely of life insurance. In life insurance there is no frontier for companies of both countries can cross the boundary freely for business.

Like a War Debt.

When one considers that nearly $25,000,000,000 of life insurance contracts were in force in the United States at the end of 1916, and $1,400,000,000 in Canada, in level premium companies alone, the obligations imposed upon the managements of life insurance companies assume something like the dimensions of the obligations imposed upon nations by their war debts, with the difference that the rules under which life insurance obligations will progress to maturity, and be paid, are predetermined with mathematical accuracy.

One Policy of One Million.

The largest payment on a single life in 1916 was in the case of Thomas L. Shevlin, of Minneapolis, the amount being $1,525,000.

The largest Canadian policy paid was $117,000 on the life of R. M. Thomson, of Winnipeg. The next largest policies paid in Canada last year were those of William J. Garrigue, of Montreal, for $100,598, and Robert Davies, of Toronto, for $100,000. The next largest was for the sum of $91,500 in favor of the estate of Bowman B. Law, M.P., of Yarmouth, Nova Scotia, who lost his life in the fire that destroyed the Parliament Buildings at Ottawa a year ago.

Group insurance plans increased their popularity, many notable transactions being recorded in large industrial plants. Monthly income insurance appealed to an increasing number of insurants, who prefer to leave monthly incomes to their beneficiaries rather than lump sums. The mortality rate for last year was favorable. Interest earned on investments for 1916 was a little higher than in 1915.

The payments in the leading cities of Canada for 1916 were:—

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The payments in the leading cities of Canada for 1916 were:

1.	Montreal, Que.	$2,650,000
2.	Toronto, Ont.	1,350,000
3.	Winnipeg, Man.	655,000
4.	Vancouver, B.C.	480,000
5.	Hamilton, Ont.	350,000
6.	Ottawa, Ont.	275,000
7.	St. John, N.B.	253,000
8.	Quebec, Que.	234,000
9.	Halifax, N.S.	181,000
10.	Edmonton, Alta.	146,000
11.	Westmount, Que.	125,000
13.	Yarmouth, N.S.	120,000
13.	Kingston, Ont.	110,000

MUTUAL LIFE'S SKYSCRAPER.

Dominion Trust Liquidator Loses Control of Building.

After an ineffectual effort to retain possession of the Dominion Trust building and dispose of it for the benefit of the Dominion Trust liquidation, the liquidator has had to hand over possession to the mortgagees, the Mutual Life Assurance Company of Canada. This wipes out an asset which in the report of the provisional liquidator, was estimated to realize $100,000.

It is stated here that there may be further litigation over the matter, as there is some difference of opinion regarding the inclusion of some interest in the property. Legal advice is being taken on this point.

It seems quite improbable that the Mutual Life of Canada will suffer any loss from the transaction. The building is supposed to have cost between $750,000 and $1,000,000. At the time when the loan was made, it was regarded as absolutely safe, and in fact, is still so regarded.

"GUARDIAN" NOT EXCLUSIVE.

British Insurance Company Loses Suit Against New Comer.

Mr. Justice Clement, in an action heard at Victoria, held that the use of the word "Guardian" by the Guardian Fire Insurance Co., of Salt Lake City, Utah, which is applying to do business in British Columbia, is not an infringement on the rights of the Guardian Assurance Co., Limited, a well-known English company, which does business there.

In giving his decision, Mr. Justice Clement said there was no evidence brought out in the two days' hearing to show that the Guardian Assurance Company had acquired an exclusive right to the use of the word "Guardian," which was a natural and suitable word for an insurance company to adopt, nor was there any evidence that the Guardian Fire Insurance Co. had attempted to take any unfair or undue advantage of the similarity of its name with that of the older British company.

INSURANCE LICENSES.

Underwriters' Association Ask for Better Regulations.

The multiplicity of unlicensed agents peddling fire insurance about the city; a common practice of allowing rebates in defiance of the criminal code; exorbitant commissions pocketed by irresponsible agents who were asked to pay only $3 per year for the privilege of styling themselves insurance agents, were a few of the reasons for the high cost of fire insurance cited by George Shaw, of the firm of Reed, Shaw and McNaught, at the Parliament Buildings before Mr. Justice Masten, who is sitting as an insurance commissioner to investigate the practices and charges of insurance companies operating in the Province of Ontario.

Mr. Shaw spoke from the viewpoint of the Canadian Fire Underwriters' Association, which is asking for a tax of from five to ten per cent. on all unlicensed companies. Mr. Shaw expressed an opinion that there were at least 3,000 agents drawing commissions on fire insurance in Toronto without earning it, and he pointed out that under the present law any man upon payment of a fee of $3 could become an insurance agent in the Province of Ontario. He advocated the increase of this fee to $50 or $100, to limit the privilege to responsible and experienced insurance agents.

AVIATORS' INSURANCE.

United States Government is Taking Action to Insure Airmen.

Plans now are being made for insuring the lives of Government aviators in the United States. The Aeronautics Committee has interested several large life insurance companies in the subject. One company has agreed to issue a war permit covering military service in the United States for $50 per thousand. The company will place as little restriction upon enlistments and army service as practicable, and for the present will carry the risk of aviation along with the army service. Another company said it was prepared to consider applications for insurance from aeronauts on the basis known as hazardous ratings. This would mean an extra premium rate on whole life policies varying from about $8 to the youngest ages to $13 at forty years. Such policies would be limited to $2,000 and would contain the company's regular war clause. The company, however, will refuse to insure aviators not actually in the Government service or who do not intend to enter the service. No definite proposition has been submitted to the committee as yet on the subject of accident insurance for aviators. One large concern is investigating the subject and will take the matter up with other companies, with the idea of establishing a uniform policy. Another is endeavoring to bring about the formation of a pool of companies and is willing to take its pro rata share of the business.

AMERICAN PLAN FOR INSURING THE SOLDIERS

An Effort Will be Made by Government to Avoid Huge Pension Liability.

Aghast at the prospect of another $6,000,000,000 pension obligation, the United States Government is considering a huge plan of a casualty insurance for the men who go over to Europe to fight, in place of the type of Civil War pension. A committee of officers of some of the largest insurance companies in the country are conferring with the Secretary of the Treasury on the subject. The tentative proposals are:—

A minimum compensation of $1,500 for the death of an enlisted man.

A maximum compensation of $1,500 for total disability.

A maximum compensation of $5,000 for the death or total disability of an officer.

It is proposed to pay this compensation not in a lump sum, but in a series of instalments extending over a period of years.

There are two suggestions for carrying this out. One is that the Government shall insure its soldiers against death and injury with the insurance companies which would accept the business at the high war risks. The other is that the Government shall undertake the risk itself, Congress appropriating sufficient funds to cover the death and injury benefits. The latter would mean practically a system of limited pensions.

It is contended that the cost of insurance would be far less than an ordinary pension scheme. There were 2,200,000 men in the Union army, and the Government has paid out already over five billion dollars, or $2,300 for every person. As only 1,000,000 pensions were granted, the average to date has been $5,000 each and it will take another billion dollars before the last pension runs out, or an average of $6,000 a man. It is estimated that the cost under the insurance plan will not exceed $3,000 for each casualty.

NEW CITY ESTATES.

Little Change in the Company's Position Shown During the Year.

The position of the New City Estates, Limited, altered but little during the year ending March 31, according to the annual statement. Sales of land were very small and it is expected that they will continue to remain so until after the end of the war, when the return of the Canadian troops and increase of immigration should result in a renewal of expansion in Toronto where the company's various properties are located.

The president, William Wiseman, reports that the values of land in the city would appear to be on much the same basis as in pre-war times. However, there is no speculative demand, and any forced sales would, therefore, be at a loss. In commenting that properties are well held and the outlook fairly satisfactory, he adds that there is the obvious fact that taxation will have to increase to meet war expenditures and that part of these taxes will undoubtedly fall upon the land.

The income and expense account showed receipts of $25,147. Expenses, including debenture interest, of $44,222, totalled $54,922, thus creating a deficit of $29,774.

The balance sheet shows heavy arrears, which, according to the president, are due to the fact that under the Moratorium Act, which still prevails in Ontario, purchasers have not been compelled to pay the principal sums due on mortgages and instalments, only the interest being legally recoverable.

SUCCESSFUL SALE.

Town of Ingersoll Does Well in Placing Its Bonds Locally.

Reference was made in the issue of the FINANCIAL POST of June 23 to a local sale of $16,000 debentures by the town of Ingersoll and it was also stated that the town was putting an additional $75,000 of debentures on the local market. In connection with these sales, J. V. Buchanan, Mayor of the town, writes the POST as follows:—

"It occurred to me that it might interest you to know that in one week and two days, not only $16,000 worth were sold, but the entire $91,000 worth were taken up in Ingersoll. The debentures were sold at par, bearing interest at 5½ per cent. per annum, and considering the present state of the money market, we feel that Ingersoll has done something that entitles her to mention in FINANCIAL POST.

The town of Ingersoll is to be congratulated on the success of this local sale. With prices where they are and the absorptive power of the general market strained, such a sale is a contribution towards a restoration of firmness.

Western Assurance Company
(Fire, Explosion, Ocean Marine and Inland Marine Insurance)
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - - - - - - $5,000,000.00
Losses paid since organization over - - - - - - $66,000,000.00
BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, John Aird, Robert Bickerdike, M.P. (Montreal), Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. A. Robert (Montreal), E. R. Wood.

Chief Office for Canada, TORONTO
LONDON & LANCASHIRE FIRE INSURANCE COMPANY
ALFRED WRIGHT, MANAGER

AFTER A FIRE

settlements are made by the record. After a disaster there is no agent around trying to bore you into taking a policy. Even the most anxious for business will not insure your house if it smells of smoke, and none insure the lives of sick men. The insurance office is open for those who are well enough to get there and smart enough to get there in time.

Don't wait until you are sick to enquire for rates. Write now, stating age, to

The Great-West Life Assurance Company
Dept. "G."
Head Office - Winnipeg

British America Assurance Co.
(Fire, Hail, Ocean Marine and Inland Marine Insurance)
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, Vice-President and General Manager; Robert Bickerdike, M.P. (Montreal), John Aird, Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, E. A. Robert (Montreal), E. R. Wood.
Assets, Over - - - - - $2,700,000.00
Losses Paid Since Organization, Over - - - - - - - - $40,000,000.00

"Safety First" Ratio
A high ratio of Assets to Liabilities indicates safety of Policyholders' Funds. In this ratio
The Dominion Life Assurance Company
stands first of all companies in Canada
Head Office, - Waterloo, Ont.

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter 1727.
Paid-up Capital - - £2,000,000
Rest & undivided profits £800,986
Head Office
St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, A. K. Wright, Secretary, J. B. Adshead.
London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
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167 Branches throughout Scotland

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E. J. Lesperance, the Montreal manager of the Imperial Life, has probably written more life insurance the past year than any other individual agent in Canada. His personal business, from July to July, reached a total of within a few dollars of a million dollars.

REAL ESTATE AND MORTGAGES

JUNE BUILDING FIGURES UNDER LAST YEAR

But Half Year Shows a Fairly Good Gain.

BEST SHOWING BY WEST

Western Cities Finished Half Year With Surplus Over 1916—Eastern Cities Are Going Back Rapidly.

Building returns for Canada for the month of June again showed a decline as compared with a year ago, although the falling off was not so large as was the case during the month of May. The Eastern cities were responsible for the slump, showing not only a decline for themselves but wiping out a substantial increase shown for the Western cities. The total for the six months of the year to date still showed an increase as compared with the first half of 1916, an increase which is divided between East and West with the East showing the larger portion.

The total of the Eastern cities was $2,820,834, compared with $3,538,000 in 1916, a decrease of $717,552. On the other hand Western cities, with a total of $1,276,060, compared with $789,082 in 1916, an increase of $486,986. The total of $4,096,902 for all Canada, therefore, showed a decrease of $230,566. Compared with the month of May Eastern cities showed an increase of about $20,000 and Western cities an increase of over $460,000.

The Half-year.

The large increase in returns from Western Canada, which was the outstanding feature of last month's returns, had the effect of wiping out the deficit ,which had so far been shown this year and giving the Western cities an increase for the six months of $277,775. On the other hand the further decline in the Eastern cities reduced the increase for the first half of the year to $547,882 as compared with $1,790,098 at the end of May. However, as previously stated, the half year finds 1917 still ahead of 1916, the figures being $16,640,322, compared with $15,814,665 or an improvement of $825,657.

Quebec Slumps Further.

Quebec not only showed the largest slump for the month, from $376,270 to $86,179 or $290,091, but also the greatest slump of the year to date, or $583,749. Westmount, Ottawa and Hamilton also showed material declines. Toronto, with an increase of $641,919 for the six months, had the largest gain but almost as good a showing was made by Maisonneuve, and some other cities had a fair advance. In the West the largest gain of the month and half-year was shown by Saskatoon, which was 0213,440 ahead for June and $230,895 ahead for the half-year. Regina, Moose Jaw, Edmonton and Calgary also showed fair increases for the half-year, while Winnipeg and Vancouver were down considerably.

WEST WANTS LOW PRICES.

Secretary of Lethbridge Board of Trade Writes About Item in Post.

The secretary of the Lethbridge Board of Trade, J. Russell Oliver, writes FINANCIAL POST in reference to an item which appeared in the issue of June 23, headed, "Western Farms." This referred to a brisk demand for lands in the West and to recent sales at $40 to $45 an acre. Mr. Oliver encloses an editorial from the Herald, of Lethbridge, entitled, "Beware of Inflation of Raw Land Prices." The Herald warns the public against "boosting" the high prices that had been obtained for some Indian lands at Gleichen. "There are hundreds of acres of good land in the province which can be secured at low average prices," it says, and it is this fact that will attract new settlers rather than stories of sales of land at high prices."

The Herald mentions sales of school lands at $14 an acre, and contends that the lower the cost of land to new settlers the more money they will have to develop their farms and make them prosperous. "Low prices for land will attract settlers, inflated prices for raw land will keep them away."

While the Herald ignores the fact that the higher prices of land are in themselves, under normal conditions of selling, an indication of an improvement in general conditions in the West, its warning is timely against any start in the direction of an orgy in speculation that played havoc with both West and East in 1912 and 1913.

HOMES IN NEW TORONTO.

Manufacturers Will Erect Hundred or More.

The manufacturers of New Toronto, some four miles from the limits of the city, are arranging to build between one and two hundred houses at a cost of about $2,000 each, for their employees. It is said that they cannot depend on city contractors supplying the demand. Thirty frame houses have been built so far by the Brown Rolling Mills. A company has been formed, of which Sir Henry Pellatt and Frederick B. Robins are members, to build a number of houses of the better class for the same district.

Among the Toronto permits for the week were a new branch building for the Dominion Bank, on Yonge street, near St. Clair, and a $7,500 addition for the Russell Motor Car Company.

BUILDING PERMITS FOR MONTH OF JUNE

June June

EASTERN CITIES.

MARITIMES—	1917 ~~May.~~	1916 ~~May.~~		Change	6 months, 1917	6 months, 1916		Change
Halifax	$ 102,750	$ 145,078	—	$ 42,328	$ 465,061	$ 430,935	+	$ 34,126
Sydney	38,863	23,725	+	15,138	134,631	45,825	+	88,806
St. John	62,750	56,250	+	6,500	467,150	301,950	+	165,200
QUEBEC—								
Montreal	357,745	748,050	—	390,305	2,466,659	2,434,344	+	32,315
Lachine	13,725	25,035	—	11,310	217,508	492,527	—	275,019
Maisonneuve	348,900	12,050	+	336,850	690,925	133,825	+	557,100
Quebec	86,179	376,270	—	290,091	822,636	1,406,383	—	583,747
Westmount	46,045	134,290	—	88,245	79,391	348,978	—	269,587
				240	65,795	89,077	—	23,282
ONTARIO—								
Brantford	21,495	21,735	+	62,550	186,445	156,170	+	30,225
Chatham	150,350	87,800	+	23,585	359,815	255,725	+	104,090
Fort William	25,100	1,515	—	39,289	58,890	100,400	—	41,510
Galt	1,760	41,049	—					
Hamilton	287,325	474,266	—	186,941	1,335,930	1,238,216	+	97,714
Kingston	10,192	24,396	—	14,204	76,279	116,849	—	40,570
Kitchener	14,450	40,700	—	26,250	126,732	107,721	+	19,011
London	150,230	98,105	+	52,125	409,150	370,710	+	38,440
North Bay	Nil	1,975	—	1,975	1,250	5,745	—	4,495
Ottawa	137,117	280,150	—	143,033	608,242	719,850	—	111,608
Peterborough	38,165	29,935	+	8,230	108,088	83,880	+	24,208
Port Arthur	13,268	34,560	—	21,292	384,784	272,067	+	112,717
St. Thomas	5,055	6,982	—	1,927	34,825	52,206	—	17,281
St. Catharines ..	22,300	55,430	—	33,130	233,075	287,012	—	53,937
Stratford	19,396	29,593	—	10,197	110,654	115,442	—	4,788
Sudbury	11,430	3,925	+	7,505	37,355	85,152	—	47,795
Toronto	693,244	573,889	+	119,355	3,326,228	2,684,504	+	641,919
Welland	22,530	13,260	+	9,270	155,675	112,456	+	43,219
Windsor	138,035	196,545	—	58,510	607,895	584,795	+	23,100
Woodstock	2,435	1,828	+	607	53,867	44,606	+	9,261
Total 28 E. cities.	$2,820,834	$3,538,386	—	$717,552	$13,625,035	$13,077,153	+	$547,882

WESTERN CITIES.

MANITOBA—								
Winnipeg	$ 755,200	$ 570,900	+	$184,300	$1,602,850	$1,706,300	—	$103,450
ALBERTA—								
Calgary	101,300	56,000	+	45,300	210,600	148,000	+	62,600
Edmonton	41,100	8,650	+	32,450	132,100	71,260	+	60,840
Lethbridge	7,318	2,700	+	4,618	41,688	34,245	+	7,443
B. COLUMBIA—								
Vancouver	42,555	42,720	—	165	303,894	434,050	—	130,156
Victoria	5,485	26,200	—	20,715	36,365	62,240	—	25,875
Kamloops	75	2,300	—	2,225	8,575	2,800	+	5,775
New Westminster.	5,880	19,637	—	13,757	41,000	48,547	—	7,547
SASKATCHEWAN—								
Moose Jaw	14,440	6,725	+	7,715	154,935	67,935	+	87,000
Regina	44,525	7,700	+	36,825	148,640	62,400	+	86,240
Saskatoon	249,790	36,350	+	213,440	309,915	79,020	+	230,895
Yorkton	8,400	9,200	—	800	24,725	20,715	+	4,010
Total 12 W. cities.	$1,276,068	$ 789,082	+	$486,986	$3,015,287	$2,737,512	+	$277,775
Gr. total 40 cities.	$4,096,902	$4,327,468	—	$230,566	$16,640,322	$15,814,665	+	$825,657

AFTER DEPRESSION VALUES ALWAYS GO HIGHER STILL

Interesting Commentary on Toronto Situation Covering Years.

SIR MORTIMER CLARK'S VIEW

Other Observers of Real Estate Values Say the Same—Expect That Improvement Will Show in Future.

An interesting statement was made to a representative of the FINANCIAL POST by Sir Mortimer Clark, former Lieutenant-Governor of Ontario, and a prominent figure in Canadian finance for the past half century.

"I have followed real estate values closely for the past forty years," he said. "This observation has applied particularly to Toronto. I have been struck by one thing. There have been regular periods of boom in real estate values, followed just as regularly by periods of depression, these alternate periods coming almost in cycles. The significant feature has been that each period of gain has seen prices go a little higher than before the depression started. I have seen many stages when the real estate situation looked very black indeed, but, no matter how complete the depression has been, the recovery following has always carried values beyond the point they had reached when the slump started."

Sir Mortimer Clark has been actively engaged in the administration of trust funds and consequently has been in a position to watch very closely and critically the trend of real estate values. His opinion is borne out by other close observers who have followed real estate fluctuations over a long course of years. It is the opinion of these men that Toronto real estate is bound to recover from the shock of the war and that the next period of extreme activity will probably see precedent followed to the extent of a further boost in values. This is speaking of the city as a whole. There are certain districts, of course, where all such possible advances have already been discounted.

ASK SUBSCRIPTIONS FOR HALIFAX HOUSING CO.

Prospectus Issued for Proposal to Erect 100 Workmen's Homes—11½ % Charges Cover Cost.

Halifax. — The Halifax Housing Company, which, as readers of the FINANCIAL POST know, proposes to erect 100 workmen's houses at a cost of $1,400 each, and on a capital stock of $50,000, with $90,000 raised on mortgage, is actively at work securing subscriptions to the issue. They are making it a philanthropic as well as a business venture, and such organizations as the Rotary Club and Commercial Club are being supplied with literature and asked both to subscribe and to canvass. Satisfactory progress is being made. They are helped in the work by the fact that C. C. Blackadar, proprietor of the Acadian Recorder, presented the company with a free site on which the buildings will be erected. The provisional directors in their prospectus express the opinion that 11½ per cent. on the capital cost will be sufficient to provide a return on all the money invested, as shown by the following table:—

	Per Cent.
Interest	6
Sinking fund	1½
Taxes	2
Repairs	1
Insurance	½
Administration	½

WINNIPEG AND WAR.

Col. Rowley Says City is No Longer Over Built

At a dinner in Minneapolis recently, Col. C. W. Rowley, who in civil life is manager of the Bank of Commerce at Winnipeg, referred to financial and real estate conditions in the Western Canadian metropolis.

"Minneapolis never can fully understand what we in Winnipeg went through," he said, "and whatever advice or good counsel we may offer you must be taken with consideration for the difference. We were actually hurled in war. We went to bed one night, as it were, and woke up next morning to find ourselves at war. It was not so here.

"We did not declare a moratorium in Canada. The banks kept open their doors and anyone that wanted his money could get it. We never raised the interest rate or called a loan because of the war. Our plan was to keep on doing business as we would have done it had there been no war.

"We had some froth and feathers in Winnipeg. Our real estate was too high. We had overbuilt our apartment houses, our dwellings and our stores. We have since caught up and to-day it is difficult to find a house vacant in Winnipeg.

"Canada to-day is fundamentally sounder than ever before."

HALL BROTHERS, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of June, 1917, incorporating Samuel Edward Hall and James Mason Hall, lumbermen, and Debora Mary Hall, married woman, all of the City of Toronto, in the Province of Ontario; Thomas Gordon Hall, of the City of Vancouver, in the Province of British Columbia, lumber manufacturer, and Alexander Aeneas McDonald,, of the Village of Marmora, in the said Province of Ontario, barrister-at-law, for the following purposes, viz.:—To purchase, cut, sell and manufacture timber and lumber in the Dominion of Canada, England and the United States of America and elsewhere. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Hall Brothers, Limited," with a capital stock of twenty thousand dollars, divided into 2,000 shares of ten dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 29th day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

CANADIAN SPRINKLER EQUIPMENT COMPANY.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 21st day of June, 1917, incorporating John Gardner Leckie and George Gordon Beckett, students-at-law, John Antliff Kent, accountant, Barbara Cameron, clerk, Donald Black Sinclair and Edward Gordon McMillan, barristers-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, construct, sell, instal and equip properties with automatic sprinklers, fire extinguishing and fire prevention apparatus and devices of all kinds; to carry on the business of a general construction company in all its branches, including assigning and sub-letting of contracts, contracting and developing generally, and to build, construct, maintain, own and operate, dwellings, barns, elevators, warehouses, factories, buildings, bridges, docks, wharves and all other structures of a like nature useful or incidental to the work of the company or any part thereof, and to carry on the business of steamfitters, plumbers, mechanical engineers and dealers in and manufacturers of plants, engines and other machinery, and to engage in the business of electrical, civil and water supply engineers; (b) To manufacture, purchase, lease or otherwise acquire, hold, own, sell, assign, invest in, deal in and deal with goods, tools and property of every class and description, including engines, dynamos, motors and valves of every description and kind and any and all kinds of machinery, plant, articles of manufacture and mechanical apparatus generally; (c) To carry on any other business, whether manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with its business, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (d) To take, own and sell contracts, notes, bonds and other securities and evidences of indebtedness, and to own, hold, deal in and sell the capital stock in other corporations; (e) To act as agent for any individual, firm or corporation carrying on a business similar to the business which this company is authorized to carry on; (f) To acquire by purchase, lease or otherwise, the whole or any part of the undertaking, assets, business and property, real and personal, and the good-will, franchises, patents, rights, privileges, contracts and assets and liabilities, useful or incidental to the business of the company, upon such terms and conditions as may be deemed advisable, from any individual, firm or corporation, and to pay for the same in cash or fully paid-up shares, bonds or other securities of the company or otherwise as may be agreed upon, and to sell or otherwise dispose of or otherwise deal with the whole or any portion of the same; (g) To acquire by purchase, lease or otherwise any real or personal, movable or immovable property which the company may deem necessary for the carrying out of the objects of the company or any of them; (h) To acquire, hold and own shares in any other corporation doing business in whole or in part of a like nature, and to pay for the same either in cash or part cash, or to issue fully paid-up shares of the company in payment or part payment therefor, or otherwise as may be arranged, and to sell or otherwise deal with the same, notwithstanding the provisions of section 44 of The Companies Act; (i) To issue in payment for any property, concessions or rights by the company, or with the approval of the shareholders, for services rendered or to be rendered to the company, bonds or common or preferred stock of the company as fully paid-up and non-assessable; (j) To enter into any arrangement for sharing of profits, union of interest, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company; and to lend money to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same; (k) To take, accept and hold mortgages, hypothecs, liens and charges to secure the payment of any money due to the company or advanced by the company to any person, firm or corporation in the carrying on of the company's operations; (l) To lease, sell or otherwise dispose of the business, property and undertakings of the company, or any part thereof, for such consideration and upon such terms and conditions as the company may deem fit, and in particular for the shares, bonds, debentures or securities of any other company having objects similar in whole or in part to those of this company; (m) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, debentures or securities of any company belonging to the company or which the company may have power to dispose of; (n) The intention is that the objects specified in paragraph (a) hereof shall be independent objects and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company; (o) To do all such other things as may be deemed necessary or useful in the attainment of the above objects; (p) To pay out of the funds of the company all the expenses of or incidental to the formation, registration and advertising of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere, by the name of "Canadian Sprinkler Equipment Company, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 21st day of June, 1917.

THOMAS MULVEY,
Under-Secretary of State.

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CANADIAN NORTHERN RAILWAY

MACLEAN'S MAGAZINE FOR JULY

The Smugglers were Caught

THE true and complete story of a huge smuggling conspiracy which robbed the Canadian and United States Customs Departments of hundreds of thousands of dollars, and which was finally exposed by a Canadian Customs officer, is well told in the July MACLEAN'S. The parties concerned settled by handing over a huge check to the Canadian Government and not a word of the story has ever before been in print. The man who writes the article, J. D. Ronald, was personally concerned in the investigation, and he tells the whole case from first to last, merely changing the names of some of the central figures. This is one of the most striking special features that MACLEAN'S has ever had.

CONFEDERATION
the dominant theme of July MACLEAN'S

THE Jubilee of Confederation has led the Editor to make the July MACLEAN'S retrospective and interpretive of Confederation in the character of its main contents—this to meet the certain need and desire of the Canadian people. Note the fine provision of special Confederation article and features:

"THE MEETING OF MACDONALD AND BROWN."
By C. W. Jefferys, a frontispiece painted for MACLEAN'S.

"THE STORY OF CONFEDRATION."
By Thomas Bertram. A colorful narrative of the bringing about of the union of provinces.

"FIFTY YEARS OF BUSINESS EXPANSION."
By W. A. Craick, covering all phases of business—banking, insurance, manufacturing, agriculture, transportation, etc.

"THE BUILDING OF THE C.P.R."
By C. H. Mackintosh, former Lieutenant-Governor of the North-West Territories, and an ex-editor of the Ottawa Citizen.

"CONFEDERATION AND AFTERWARDS."
By Agnes C. Laut. An article on Confederation and the taking over of the North-West Territories from the Hudson Bay Company.

"SOME CANADIAN CONTRASTS."
By Frank Yeigh. A sketchy article showing some of the most picturesque ways in which Canada has advanced during the last fifteen years.

"THE DRAFT."
By A. C. Allenson. A story of the part which Canadians took in the American Civil War.

MESSAGES ON CONFEDERATION
appear from the Premiers of many of the Provinces of Canada.

Billy Sunday Contributes:
"WHAT I THINK OF CANADA."
A brief article in the crisp, epigrammatical style of the famous evangelist, illustrated by some of his most recent photographs taken in action in New York.

The Fiction Features:
"THE GUN BRAND."
By James B. Hendryx. An interesting instalment of this exciting serial.
"THE OUTLAW BOAR."
By Clark E. Locke. A short story.
"PUTTING IT OVER."
By Hastings Webling. A gold story.
"THE CAPTAIN OF THE SUSAN DREW."
By Jack London. The first instalment of a two-part story—one of the last that London wrote.

The Best Number of MACLEAN'S by long odds that has ever been put out is the July issue. It will be bigger, the articles are stronger, the stories more entertaining, and the illustrations more varied. Stephen Leacock's "Sunshine in Mariposa" is continued in this issue; also the regular Departments, Records of Success, Review of Reviews, The Business Outlook, and Information for Investors.

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THE MAJORITY REPORT AND G.T. SHAREHOLDERS

Chairman Smithers Makes Appeal on Behalf of Investors.

FUNDS RAISED IN ENGLAND

Immense Sums Advanced for Canadian Transportation Development at Low Rates—No Dividend Paid on Common Stock.

In considering the Canadian railway problem little consideration seems to be given by the public and not a great deal more by the members of the Royal Commission of Inquiry—at least the framers of the majority report—to the investors concerned, the people who have actually supplied the capital by which Canadian railroads have been built. From this angle the recent statement of Chairman Alfred W. Smithers, in connection with the commission's findings and recommendations has particular interest. He emphasizes the part which British capital has played in the great undertaking in the following paragraph:—

The Grand Trunk Railway was commenced in 1853, and built by British labor, British engineers and British capital. Every yard of rail, every bit of metal required for the bridges, the locomotive stock and the rolling stock all came from England. It is almost impossible to realize now the primitive state of things existing at that time or to over-estimate the skill and resource shown by the first directors of the company in overcoming unexpected obstacles entirely out of the company's own resources. Stress is only laid on all this to show how truly the name of the pioneer railroad of Canada as applied to the Grand Trunk can be justified. British capital commenced it, British capital built it, and British capital has maintained it until the present day.

Further, Mr. Smithers emphasizes the high standing which the company has hitherto maintained with its investors, always paying its fixed charges, but, however, making no return on the common stock. He also points out the large sums which have in recent years been raised at a low rate of interest. He says:—

In the sixty-five years of the company's existence it has never defaulted on its first charges, notwithstanding that in that period a greater number of the American railways have several times been in bankruptcy and that in 1895 when the present board took office, nearly half of the American roads were then in the hands of receivers; it has maintained its standing on the London market, thus being able to finance on its own credit the many and various requirements demanded by the people of Canada. That the credit of the Grand Trunk company stands high in the London market may be gathered from the fact that it was able with the consent of the British Treasury to raise in June, 1915, in the midst of war on unaided Grand Trunk credit the sum of twelve million, five hundred thousand dollars in five hours, and that on the day on which that operation was carried out, the Germans were bombarding Scarboro on the Yorkshire coast, and telegraphic communication was stopped for several hours between London and the north of England. With regard to the crticism as to undue payment of dividends, the Grand Trunk common stock of which over thirty million dollars represents actual cash, has never received a dividend, and its preference stocks have only had their dividends paid intermittently from year to year as the earnings justified.

The increase in Grand Trunk capital raised in London since the present board came into office amounts to nearly $150,000,000, which was all raised at a little over four per cent. It is not too much to say what if this money had been raised in New York it would have cost at least 1 per cent. per annum more and would have resulted to-day in a total extra liability for fixed charges of nearly $1,500,000 per annum. The Grand Trunk capital at present amounts in round figures to $430,000,000, practically the whole of which is held in Great Britain.

In his statement, Mr. Smithers also refers to the comparatively small Government assistance which the Grand Trunk has received, as compared with other Canadian systems and reviews in detail the steps by which the plans for the construction of the Grand Trunk Pacific were developed. Now he says the majority report of the Royal Commission proposes that the Canadian Northern should be taken over by the Government and relieved of all its liabilities, but as regards the Grand Trunk, the suggestion is that in consideration of the Grand Trunk Pacific being taken over, the old system should be surrendered on terms amounting to semi-confiscation of the rights of the British shareholders. He calls it unjust treatment for the only railroad which out of its own resources has rendered the country more service than any other.

AUTOMOBILES IN U. S.

Total Number of Machines Now More Than 3,500,000

In 1916 there were 1,067,332 more motor cars registered in the United States than in 1915. This was an increase of 43 per cent. The gross total of registered cars, including commercial cars, was 3,512,996; the number of motorcycles registered was 250,820. The several States collected in registration and license fees, including those of chauffeurs and operators, a total gross revenue of $25,865,369.75. Of this amount, 92 per cent., or $23,910,811, was applied directly to construction, improvement, or maintenance of the public roads in 43 States, according to figures compiled by the Office of Public Roads of the United States Department of Agriculture in Circular 73, "Automobile registrations, licenses, and revenues in the United States, 1916."

The figures for 1916 correspond very closely with the annual percentage increase of motor-car registration of the last three years. This yearly increase has averaged 40 per cent. in the number of cars and 50 per cent. in revenue.

COAL AND COKE.

Comparative Statistics of Production For Years 1915 and 1916.

From the report of coal production in Canada published by the division of Mineral Resources and Statistics, Department of Mines, figures are taken to show that the total production of coal last year was 14,483,395 short tons compared with 13,267,023 short tons in 1915. At the same time the total output of coke increased from 1,200,766 tons in 1915 to 1,448,782 tons in 1916. Following are comparative figures of the production and distribution of coal and the production, exports and imports of coal for the last two years.

	1915 Short tons	1916 Short tons
Production—		
Nova Scotia	7,463,370	6,912,140
New Brunswick ..	127,391	143,450
Saskatchewan	240,107	281,300
Alberta	3,360,818	4,559,054
B. Columbia	2,065,613	2,584,061
Yukon	9,724	3,300
Total	13,267,023	14,483,395
Distribution—		
Sold in Canada ...	9,826,712	10,701,530
Exported to U.S...	1,330,718	1,451,075
To other countries.	297,343	284,513
Total sales	11,454,773	12,437,118
Used by producers...	701,975	804,814
Colliery operation ..	1,110,275	1,241,463
	1,812,250	2,046,277
Stocks in hand..	171,205	78,702
Exports	1,776,543	2,135,539
Imports—		
Bituminous	8,393,710	13,009,788
Anthracite	4,072,192	4,570,815
Total	12,465,902	17,580,603
Canad. consumption.	23,906,692	29,865,856
Used by Railways ..	6,677,536	8,677,354
OVEN-COKE		
Coal used	1,856,393	2,134,911
Coke Output—		
Nova Scotia	584,993	653,836
Ontario	316,211	452,502
Alberta	24,187	42,548
B. Columbia	275,375	299,896
Total output ...	1,200,766	1,448,782
Exports	35,869	48,539
Imports	637,857	757,116

THE CHANNEL TUNNEL.

British Promoters Have Faith in Their Great Scheme.

The affairs of the company formed to promote the construction of a tunnel between England and France are still in a state of quiescence, but the annual report of the undertaking, which has just become available, serves to remind that the advocates of this international link do not abate their confidence that when the season is more propitious the Government will look upon the enterprise from an entirely new standpoint.

Until the war demonstrated how much the two countries might have been saved if the tunnel had been in existence, the great commercial possibilities of a tunnel under the channel were not adequately realized, but now that the alliance between Great Britain and France has definitely removed all military objections, the case for the completion of the enterprise is so overwhelming that the building of the connection seems to be regarded as already settled in principle.

It is, perhaps, not generally known that the boring has been actually commenced, and in the accounts of the company for the last year there is a charge for tunnel maintenance of £300, the total amount spent on construction and upkeep to date being about £60,000. A further sum of £11,800 has been absorbed in Parliamentary expenses and other outlays, and the company still has capital in hand to the amount of £17,500, as well as a credit balance on account of income and expenditure of £8,800. Thus the undertaking has no difficulty in keeping its head above water while it is awaiting the opportunity to bore through the chalk strata below the strait.

The policy prohibiting the use for food purposes of calves, young lambs, little chickens, and small pigs in connection with the C.P.R. dining car service, has been extended to all services operated by the Canadian Pacific and other Canadian and American lines are adopting a similar course.

NEW ISSUE OF CANADIAN CAR COMMON STOCK

Flotation in Lieu of Cash Payment of Russian Commission.

SOME ADVERSE COMMENT

Criticism That the Payment Being Made in This Form Stands As a Permanent Liability—Commission Matter Adjusted.

Financial circles were given a surprise this week by the announcement that application had been made to the Montreal Stock Exchange for the listing of an additional $750,000 common shares of Canadian Car & Foundry. These shares have been issued in lieu of cash payment of commissions in connection with the Russian shell contract of the company. The directors consider that the arrangement is a very satisfactory one, but in financial circles there is some adverse comment, from the standpoint that the payment being made in this form stands as a permanent liability against the company.

F. A. Skelton, vice-president of the company, stated that the matter had been very carefully considered by the board, and this method had been decided on only after a good deal of thought. He explained that a debenture stock issue, which might be retired on a given date, would rank ahead of the common stock in any case, and would necessitate a larger issue.

The matter will be fully explained at the annual meeting of the company, which will be held on July 31.

The Russian Contract.

With the exception of minor details it is understood that the question of commissions claimed by certain intermediaries in the securing of the Russian contract has been finally adjusted. The clearing up of the final details in connection with the Russian contract has now been practically finished. Some loose ends may drag on for some time, but the final payment by the Petrograd Government was made some time ago. It is quite probable that definite information in connection with this contract will be forthcoming at the annual meeting of shareholders which will be held later on this month.

TRADE CORPORATION.

Some Explanations by Sir Albert Stanley, President Board of Trade.

Before the House of Commons, Sir Albert Stanley, president of the Board of Trade, recently took occasion to refer to criticisms which have been directed to the proposed British Trade Corporation. The idea, he said, was to set up an organization which would give financial assistance to the trade and industry of the country. Furthermore, it was established that the corporation was under an obligation to give financial assistance to British traders and manufacturers and not to enter into competition with British traders, merchants or manufacturers. There was an imperative necessity for some such institution in view of what Germany and other countries were doing to meet trade conditions after the war. If, at that time, there was an entirely altered state of circumstance, as seemed probable, it was necessary to recognize the fact and take whatever steps might seem advisable to help thase engaged in the industry of the country in order that they might meet their foreign competitors on equal terms.

INDUSTRIAL UNREST.

British Government to Probe Deeply Into the Labor Situation.

The British Government has determined to probe deeply into the causes of the unrest which recently has been a somewhat disturbing element in the industrial life of the country. For this purpose eight commissions have been appointed, each consisting of a chairman, selected for his detachment and impartiality, one employers' representative, and one employes' representative. The commissions have been allocated to different sections of the country, which has been divided into specified areas for the purpose, and when each body has completed its investigations and formulated its finding, it is probable that an interchange of views will take place in order to coordinate ideas in anticipation of the issue of what may be a joint report.

There is no short cut to an industrial millennium, says the London correspondent of the New York Annalist, but if grievances and reasons for disquiet exist, it is necessary and desirable that they should be fearlessly exposed, so that proper and adequate remedies may be applied. Discontent which is allowed to smolder will almost inevitably burst into flame. The inquiries will be held in private.

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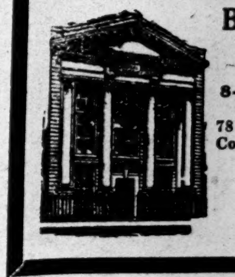

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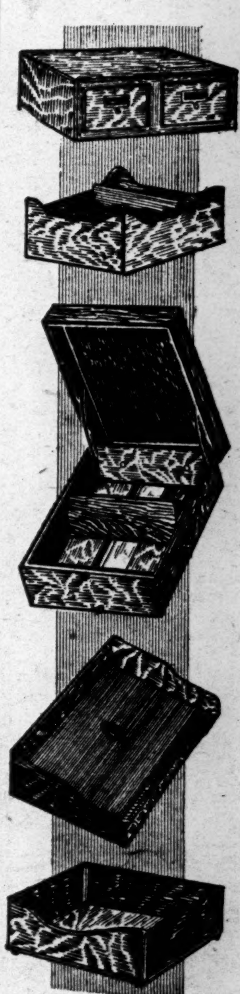

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